DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS FOR 1987

HEARINGS

BEFORE A

SUBCOMMITTEE OF THE

COMMITTEE ON APPROPRIATIONS

HOUSE OF REPRESENTATIVES

NINETY-NINTH CONGRESS

SECOND SESSION

SUBCOMMITTEE ON THE DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES

SIDNEY R. YATES, Illinois, *Chairman*

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D. NEAL SIGMON, KATHLEEN R. JOHNSON, JOCELYN HUNN, and ROBERT S. KRIPOWICZ,
Staff Assistants

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Printed for the use of the Committee on Appropriations

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DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS FOR FISCAL YEAR 1987

WEDNESDAY, FEBRUARY 19, 1986.

FISCAL YEAR 1987 BUDGET HEARING ON THE DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES

WITNESSES

HON. DONALD PAUL HODEL, SECRETARY OF THE DEPARTMENT OF THE INTERIOR

DENIS GALVIN, DEPUTY DIRECTOR, NATIONAL PARK SERVICE

GERALD RISO, ASSISTANT SECRETARY, POLICY, BUDGET AND ADMINISTRATION

JOSEPH GORRELL, DEPUTY ASSISTANT SECRETARY, POLICY, BUDGET AND ADMINISTRATION

ANTHONY ITTEILAG, DIRECTOR OF BUDGET

ROGER HILDEBEIDEL, BUDGET OFFICER, BUREAU OF LAND MANAGEMENT

Mr. YATES. Show the hearing coming to order.

This is the hearing on the budget for fiscal year 1987 of the Department of the Interior and Related Agencies, and appearing this morning is the distinguished Secretary of the Interior, Mr. Donald Hodel. Your statement may be made a part of the record.

Mr. Hodel, tell us about the state of the Interior Department, what you foresee as being necessary for fiscal year 1987.

FY 1987 BUDGET

Secretary HODEL. The statement which you have put in the record, Mr. Chairman, provides a very broad, comprehensive review of quite a few budget details, but my view of the budget is broader. I said, before this budget was submitted and before we could talk about it publicly, to people who asked, "What is your budget going to look like", I said, "It will look pretty much like a business-as-usual budget in the sense that if you looked at the budget of the Department of the Interior over the five submissions of this administration, you won't see surprises in it." I think this budget fairly well bears that out.

We have some proposals which assume legislative action, such as the park fee proposal. If that passes and is in place throughout fiscal year 1987, it would mean, in fact, the operating budget for the Park Service would increase by around eight or so percent in 1987, which is, I think, quite a significant commitment in view of the general effects of the downward pressure on the budget. In fact, if we look through the Department at the operating accounts for each of our bureaus, they are either the same as the 1986 estimate or higher in our 1987 request, and that is a conscious decision on my part that we would try to fund the managerial and the operational responsibilities of the Department to the best of our ability in this proposal, and that would mean there were some other things that in the past we have been funded to do which we would not be able to do.

One of the obvious areas in which we have proposed not to provide significant funding is the land acquisition account, which I know is an area which the Congress and we have discussed over some period of time.

PARK FEE PROPOSAL

The fee proposal, we think, is a good one. It is one which relates to the fee-collecting parks. It does not include urban parks. This has been an area of some concern for some of your colleagues particularly. We think that is sound on a couple of bases. First of all, they are often in competition with municipal parks which don't charge fees, and, secondly, there is no way to control the access, and it just isn't feasible to try to collect a fee at those parks.

Mr. YATES. Is it based on the user theory?

Secretary HODEL. Yes, the user fee is one theory. In this case, we are collecting about seven percent of the cost of operating national parks through fees, and entrance fees have been frozen since the late 1970s. We have set a target of trying to raise as much as 25 percent of park operating costs through fees. This budget does not achieve that, in fact, but it does provide for greater use of volunteers and ability to collect fees.

For instance, I was in Yosemite this summer, and the fee is $3 per vehicle for seven days, which has got to be one of the best bargains in outdoor America. The fee was set in the early 1970s and subsequently frozen. We think it would be appropriate to raise that. And the remarkable thing is, frankly, our new director, Mr. Mott, and Assistant Secretary Bill Horn, worked with the Office of Management and Budget and got their agreement. Eighty percent of the monies collected would be returned to the National Park Service. I am sure you have seen the Office of Management and Budget's approach to this sort of thing in the past. This is not usually something they like to do, but which they have agreed to do in this case.

The result would be an increase in the amount of operating management funds for the Park Service.

GRAZING FEES

Mr. YATES. Couldn't you apply that same rationale to grazing fees? Why haven't they frozen grazing fees?

Secretary HODEL. In the case of grazing fees, an executive order was issued, which extended the statutory formula, because it seemed that the Congress was so close to resolving that issue. What is interesting is that Congress, in trying to resolve the grazing fee issue, didn't just deal with the fee, they had a series of significant environmental-type tradeoffs. The Congress was approaching a bill, this omnibus range management bill, which had so much more in it than just fees. What it illustrates is that it is a complex political problem that needs to be resolved by the Congress, because I don't think we could come up with a proposal that would engender support on the Hill.

Mr. **Yates**. Why don't you let Congress handle entrance fees to your parks?

Secretary **Hodel**. We are proposing legislation to do that.

Mr. **Yates**. Why don't you do that with grazing fees? You propose increases for entrance to the parks, why don't you propose increases for grazing fees, which are comparable to the grazing fees which are charged by other Federal agencies? Other Federal agencies don't have the restrictions the Forest Service has, and they collect three, four, or five times as much as you do. Isn't that true?

Secretary **Hodel**. Other Federal agencies? On grazing fees?

Mr. **Yates**. The Indians and the Fish and Wildlife Service.

Secretary **Hodel**. I was familiar with Fish and Wildlife.

Mr. **Yates**. Of course, you are. Why don't you do the same with BLM?

Secretary **Hodel**. We are attempting to follow the law, Mr. Chairman; and in this case, the executive order extends that law and hopes that the Congress will resolve the matter.

Mr. **Yates**. I see. Okay. Well, what was it that Samuel Johnson said when he heard the news of the second marriage of a friend? "This is the triumph of hope over experience." Do you think that is applicable here?

Secretary **Hodel**. I hope it is not here. I hope that the Congress can resolve it, because I think in doing so, a number of things would be packaged together. It may not seem very significant to many people in other parts of the country, but in certain parts of the West, it is deemed a matter of life and death and has very serious consequences.

Mr. **Yates**. I would agree that it is very serious, but I would assume that it is also serious for those who graze on Fish and Wildlife lands and those who graze on any other lands.

If you expect the Congress to act, why didn't you put a termination date on your executive order on grazing fees? It is open-ended.

Secretary **Hodel**. It is open-ended.

Mr. **Yates**. It goes on and on, and if Congress doesn't act, it just goes on indefinitely. Why don't you put a termination date on it so that the Congress would be bound to act?

Secretary **Hodel**. This was the recommendation of Members of Congress to the administration as to the shape the executive order should take, and that was what was done, and I would have to ask them why they think that was——

Mr. **Yates**. The Executive branch always follows the recommendations of the Congress?

Secretary **Hodel**. I think once in a while it is a pleasure to be able to do so.

Mr. **Yates**. I see. Go ahead, Mr. Hodel.

SHARING NET REVENUES

Secretary **Hodel**. There are a couple of other major proposals in here which may not engender support, particularly on the part of Western Senators and Congressmen, because we propose that distributions to the O&C counties and the distributions to the states for mineral royalties and timber harvest, et cetera, be net revenue distributions, as distinguished from current policy, under which we distribute 50 percent of the collections to the state, and then we pay the cost of collection out of the Federal Government's share.

We proposed this in the past. It requires legislation. It is something which encounters a fair amount of opposition because of the impact on state revenues. It has the effect, in this case, of about $53 million out of $550 million for mineral receipts.

Mr. **Yates**. Ten percent, roughly?

Secretary **Hodel**. Which is a significant amount.

OTHER PROPOSALS

We also have discussed with your staff and submitted a draft plan pursuant to discussions that we have had following your request that we look at the BIA school maintenance program and the transfer to the Policy Budget and Administration Construction Management Office. Hopefully, we will be able to go forward with that and accomplish some of the objectives that you have been concerned about in that area.

I should emphasize we do not propose changes in this budget that would affect the Wallop-Breaux account. Last year, you may recall, we proposed the Congress revise the Wallop-Breaux legislation and reduce the amount that went into the Dingell-Johnson fund. We have not proposed that, which means that while almost everything in our budget is decreased or is held fairly close to where it had been, this particular account would have increased 324 percent in a two-year period.

I was prepared to discuss our proposals with regard to 8(g), but I suspect there are members of the committee who will arrive who will want to ask me about that. I can do it either way, wait until they arrive or go through it now, if you prefer.

Mr. **Yates**. I know Mr. Murtha is in Defense this morning, and I suspect Mr. Dicks is too, along with Mr. AuCoin, because they are considering the effects of Gramm-Rudman on the Defense budget. So I think maybe you ought to address the subject now. The others are in other activities.

Secretary **Hodel**. Let me just say briefly what we propose in our budget for 1987 on the distribution of the 8(g) account, the disputed money for the offshore revenues. What we have displayed is what would happen if we prevailed in the lawsuit. The rationale was this: if I picked any other number, I would have no basis for it. I couldn't pick the 27 percent that we thought we agreed to last spring; I couldn't pick the 27 percent as defined by Congress in the fall, because that would be seen, either as weakening our legal position or inviting a new round of negotiations.

So basically what we did is put in the only appropriate figure that we could choose, and that is what it would be if we prevail in the legal case. I need to emphasize it is still our desire to work out an agreed settlement with the affected states, hopefully achieve Congressional support for it, and proceed somewhat more rapidly in the distribution of those monies than is assumed in our budget.

Mr. YATES. How far from determination is the court suit?

Secretary HODEL. We could very well obtain a court decision this year for part of the funds, but I think that is only another step. I think that there will be further appeals. It is doubtful that that would finally terminate the legal activity.

Mr. YATES. Is there any evidence that the Federal Government is taking oil from these lands?

Secretary HODEL. No. In fact, that is part of our problem. Past administrations have offered anywhere from one to four percent, which represented sort of a maximum drainage potential in the eyes of geologists. This law, as you know, is intended simply to reimburse states for drainage. I am told that when the law was passed, the idea was that the Federal program was going to progress so rapidly that the states wouldn't be able to keep up on their side of the boundary and, therefore, the states said "We need some protection against Federal drainage of our pools." So the law says that where there is a common pool, you have to make some fair and equitable distribution.

Well, first of all, our program hasn't progressed all that rapidly in most cases, and geologists looked at it and said one to four percent is a fair number to utilize, and nothing happened, because that was way below what the states were talking about; 50 percent of the proceeds. So then-Secretary Clark in an effort to, I think, overcome the problem said "Let's resolve it", offered 16 and two-thirds percent to the states, and I was present when he obtained approval of that within the administration, which was not easy, as you can imagine. He made the presentation; of course, the objection was it was not nearly enough.

There were further negotiations, and then as part of a budget effort last year, Dave Stockman negotiated a 27 percent arrangement, which we calculated to mean about $485 million distribution to Louisiana and about $375 million each to Texas and California. That was based on our view of what the pot was supposed to be.

Then in the course of last summer, the delegations from the affected states redefined the pot, and they kept redefining it until finally the distribution was $800 or $900 million, or would have been, and similar increases, proportional increases, for the other states, nearly double.

Mr. YATES. Have provisions for that last pot been incorporated into the budget resolution? There is some provision in the Budget Act, I don't know the amount that is involved, the so-called budget reconciliation.

Secretary HODEL. I think so, as a result of the initial Stockman compromise. We may have to correct this, I may not have it correct.

Mr. YATES. Do you have that figure for the budget reconciliation?

Mr. ITTEILAG. Our understanding is that the so-called CBO baseline for measuring this budget assumes a 50-50 settlement, so the obvious effect is that any decrease of the states' share below 50 percent would then show as savings, but that savings is not real, in our view.

Mr. YATES. I was just wondering which of the levels that you just described was incorporated into the language of the budget reconciliation?

Secretary HODEL. My sense was that when the Stockman compromise was made last year, the initial 27 percent offer, that the conclusion was that that would free up $4 billion to flow into the Federal Treasury. That left some gray area, and that is what, I think, led to the further interpretation, because the coastal states said, "Well, that is fine, we can increase the size of the pot for us and still leave $4 billion that comes into the Federal Treasury to reduce the deficit."

Mr. YATES. What is the basis for their contention that you are taking oil out of their pool, just a speculation, or is there any valid evidence in their presentation that has been made?

Secretary HODEL. There is no evidence that there is any amount of oil drained in excess of one to four percent. There is a lawsuit that was—I think it was a Texas Court, it may have been a Federal District Court in Texas—there was a lawsuit over four tracts, over a series of tracts, and the court held that in four of those tracts the Federal bonuses were enhanced because of drilling activities that had taken place on the state side of the line, and the court said, in fairness and equity to the states, "What you ought to do is you ought to pay half of the bonus enhancement."

Put it this way, if our bonus would have been $1 million, without any state activity, and then with state activity, we got $2 million, we ought to pay $500,000 to them. That, incidentally, was the origin of the 27 percent, because taking all of the tracts involved in that litigation, it came out to about 27 percent of the bonuses and rents in those areas.

Now, the Judge did not dispose of the royalties in that case, or he hadn't as of some time ago.

Mr. YATES. Okay.

Secretary HODEL. So it is a situation in which there is a great deal of money involved; it has enormous effect on the budgetary activities in the states that are involved; and it is not easily given up by them, especially once they feel they are entitled to it. In fact, legislatures in a couple of states have already appropriated the monies which they have not yet received.

Mr. YATES. Now the Congress hasn't really passed on this question, has it?

Secretary HODEL. No. It was attached to the reconciliation bill.

Mr. YATES. It still is. It is in the current budget reconciliation bill that has not yet been approved by either the House or the Senate.

Secretary HODEL. That is right. I think it has been approved in the House in December, and then——

Mr. YATES. I mean the conference hasn't approved it.

Secretary HODEL. Yes. Then we finally recommended a veto of the reconciliation bill because of not just this item. In fact, I had said all along if this were the only item it would not justify a veto, but there were several other things that affected the OCS program that we felt were unacceptable and that should be grounds for a veto.

All of that leads me back to the point. In this budget, we displayed it as a four percent share for the states and we distributed it over the outyears as well. I seek to emphasize that does not mean we think that is where it has to come out, but I don't know of any other way to budget it fairly.

I think that covers the items that I thought I should summarize, Mr. Chairman.

[The Secretary's statement follows:]

STATEMENT OF DONALD PAUL HODEL, SECRETARY OF THE INTERIOR
BEFORE THE
HOUSE APPROPRIATIONS SUBCOMMITTEE ON INTERIOR AND RELATED AGENCIES

FY 1987 BUDGET

FEBRUARY 19, 1986

Mr. Chairman and Members of the Committee:

I am pleased to appear before you today in support of the President's FY 1987 budget for the Department of the Interior.

Our 1987 budget is equally sensitive to the President's efforts to reduce the Federal deficit and to managing and maintaining our public lands, parks, and other resources. Within available budgetary resources, we have chosen to emphasize operation and maintenance of public lands and facilities rather than new investments in construction and land acquisitions. You will see in this budget that for operating activities, most of our bureaus will have more resources available, or at least as much, in 1987 as they had in 1986.

FY 1987 Budget

The 1987 Interior Department budget totals $6.2 billion in budget authority, a decrease of $184.3 million from the current 1986 estimate. Outlays in 1987 are estimated to be $6.6 billion, a $295 million reduction below the 1986 estimate of $6.9 billion.

Excluding the Bureau of Reclamation budget, which is considered by the Energy and Water Development Subcommittee, the FY 1987 request for current appropriations under the jurisdiction of this Subcommittee is $3.6 billion, a decrease of $424 million from the 1986 current estimate of $4.1 billion and $468 million from the 1986 appropriation level.

While providing sufficient funding to meet the Department's many and varied responsibilities, this budget contributes to reduction of the deficit. The Department's total requested budget of $6.2 billion is at a level that, taken together with the other components of the President's budget, will achieve the FY 1987 deficit target established by the Gramm-Rudman-Hollings Balanced Budget and Emergency Deficit Control Act of 1985 (P.L. 99-177).

Authorizing Legislation Required

For the Committee's information, I would like to point out several items in the FY 1987 budget which require passage of authorizing legislation by the Congress. Our highest priority in this area is legislation for establishment of new recreation entrance fees and increases in fees already in place for the National Park Service ($59 milion). Fees have not risen since 1972 and are frozen by law.

Legislation will also be proposed for the Bureau of Land Management-Forest Service interchange ($3.4 million) and for payment of Minerals Management Service interest on refunds ($200,000). In addition, authorizing legislation is required for sharing net receipts from onshore mineral leasing and O&C grant lands; and for increasing the price of the Duck Stamp from $7.50 to $10.00.

Effects of Gramm-Rudman-Hollings

As you know, the Balanced Budget and Emergency Deficit Control Act of 1985 (Gramm-Rudman-Hollings) will result in changes in the 1986 levels of budget and spending authority and outlays. For programs under this Subcommittee's jurisdiction, $176.1 million in budget and spending authority is sequestered. Of this amount, $175.9 million is permanently cancelled and $174,000, in BLM's Service Charges, Deposits, and Forfeitures special fund account, is reserved. In addition, reimbursable spending authority of $4.5 million and loan authority of $3.5 million will be sequestered under P.L. 99-177. These sequestrations in total will reduce 1986 outlays by $136 million.

Other FY 1986 Changes

In addition to the effect of Gramm-Rudman-Hollings, our current 1986 estimates also reflect proposed supplementals of $311.7 million and rescissions of $116.1 million in budget and contract authority.

FY 1986 fire supplementals of $34.5 million are proposed. Under existing authority, the Department transferred $34.5 million during 1985 from various accounts to help finance fire fighting and rehabilitation in national parks and on Indian lands. The budget proposes to reimburse these costs through 1986 supplemental appropriations of $9.5 million for the National Park Service and $25.0 million for the Bureau of Indian Affairs. For the Bureau of Land Management, 1985 fire fighting costs were provided in a supplemental appropriation of $70 million in the 1985 Supplemental Appropriations Act (P.L.99-88).

Other supplemental appropriations requested for 1986 are $270.9 million to implement the Compact of Free Association with the Republic of the Marshall Islands and the Federated States of Micronesia; $3.2 million for National Park Service mining and minerals evaluation costs in Alaska; $770,000 for Park Police pensions; $800,000 for the Minerals Management Service for interest on late payments; and $1.5 million to establish a trust fund for fisheries management to meet the agreements settling the Indian fishing rights dispute in Michigan.

Rescissions totalling $116.1 million are also proposed in 1986. Total 1986 budget authority for land acquisition in the amount of $24.3 million is proposed to be rescinded. The amounts by bureau are: Park Service, $19.3

million; and Fish and Wildlife Service, $4.95 million. In addition, $28.7 million in permanent Park Service land acquisition contract authority provided by the Land and Water Conservation Act is proposed to be rescinded. An additional $1.3 million of this contract authority is scheduled to be sequestered on March 1, 1986 under P.L. 96-177.

Other proposed rescissions are $35.9 million for state grants from the Land and Water Conservation Fund, $8.7 million from the Park Service 1986 construction appropriation, and $18.5 million for historic preservation grants to states and the National Trust for Historic Preservation. These rescissions are intended to restrain outlays in FY 1986 and 1987 to help meet overall deficit reduction goals.

Budget Increases and Decreases

Although decreases from 1986 are proposed for many of the Department's accounts, the 1987 budget proposes some program increases over amounts provided in 1986. The major increases are as follows:

Operation of the National Park System. The budget continues to place a high priority on protecting and preserving the Nation's unparalleled National Park System. FY 1987 funding of $655.5 million is proposed for park operations. This is an increase of $44.8 million from the current estimate and an increase of $31.5 million from the enacted 1986 appropriation.

The increase for park operations will be funded by establishment of new recreation entrance fees and increases in existing fees which have not risen since 1972 and are frozen by law. Legislation to provide for these fees has been cleared within the Administration and is nearly ready to be submitted to the Congress. The new and increased fees are projected to raise fee revenues of $73.8 million during 1987, an increase of $52.5 million over the 1986 level. Eighty percent of the fees collected ($59 million) will be returned to the National Park Service and will be dedicated to park operations and maintenance programs. The remaining 20 percent will be deposited in the General Fund of the Treasury. Under current law, all park fees are deposited in the Land and Water Conservation Fund for subsequent appropriation to finance Federal land acquisition and state recreation grants. The legislative proposal for recreation user fees will establish a permanent, indefinite appropriation that will channel fee revenues to more directly meet the costs of operating and maintaining the National Park System.

Sport Fish Restoration (Dingell-Johnson). Based on increased excise tax and other revenues resulting from the 1984 Wallop-Breaux amendments to the Dingell-Johnson Federal Aid in Sport Fish Restoration Act, the 1987 budget includes as a permanent appropriation grants for state fish restoration programs of $161.5 million. This is an increase of $39.3 million from the estimated 1986 receipts of $122.2 million and an increase of $44.6 million above the 1986 receipts, less a 1986 spending decrease of $5.3 million imposed by P.L. 99-177. In addition, because of a proposed decrease of $5.3 million in Federal costs of administering the program in 1987, the states will receive a larger share of total Dingell-Johnson funds.

Surface Mining. To ensure continuation of the increased emphasis that the Department has placed on enforcement of the Surface Mining Reclamation and Control Act, the budget requests $100.9 million for the regulatory and technology programs administered by the Office of Surface Mining Reclamation and Enforcement (OSMRE). This is an increase of $15.7 million from the 1986 appropriation and an increase of $19.4 million from the current estimate, which reflects the sequestration of $3.6 million in budget authority permanently cancelled under P.L. 99-177. The increase will enable OSMRE to significantly increase its financial and technical support for State regulatory programs and to improve its Federal enforcement capability.

Tribal Trust Funds. Receipts deposited into Indian tribal trust funds are expected to increase by $37.5 million over 1986 receipts, reaching a 1987 total of $466.5 million. These increases include an anticipated increase in payments to tribes as a result of settlement of claims filed against the Federal government and an increase in receipts from timber fees. The trust funds are available to tribes as a permanent appropriation for tribal operations, economic development and other purposes. As a result of a specific provision in P.L. 99-177, these trust funds are exempt from sequestration.

Kesterson Reservoir contamination. Because of the Subcommittee's continuing interest in toxic drainage and contamination issues, I would like to note that, included in the FY 1987 budget, in the request for the Bureau of Reclamation, is $11.5 million to continue the joint Federal-State study of the environmental and economic impacts of and potential solutions to irrigation drainage problems in the San Joaquin Valley, and to complete preparation of the clean-up plan for Kesterson Reservoir. The $11.5 million request will fund activities of the Fish and Wildlife Service, Geological Survey and Bureau of Reclamation. No funds are requested at this time for actual clean-up pending submission of the clean-up plan to the State of California in December 1986.

In 1985, I established a Task Group on Irrigation Drainage to evaluate irrigation drainage effects at Interior facilities in other parts of the west. In January 1986, the task group identified about 20 areas involving Department of the Interior responsibilities throughout the west which require further study to determine if corrective action is needed to address confirmed or potential irrigation-induced water quality problems. Field teams are now preparing plans of study. Additional resources involving several bureaus and, potentially, non-Federal sources may be needed in 1986 to initiate field work at highest priority sites and in 1987 to conduct other priority work. The Department intends that funding for this work occur within existing budget levels.

As you are aware, the Department also recently issued a "Preliminary Survey of Contaminant Issues of Concern on National Wildlife Refuges". This report will be the basis for developing action plans to address contaminant problems identified on refuges. The FY 1987 budget increases resources in the Fish and Wildlife Service for monitoring, analyses and evaluation of contaminants.

Decreases from 1986 are proposed in other accounts in the Department. The major factors accounting for budget reductions are as follows:

Land Acquisition. Because of the need to reduce the Federal budget deficit, the total 1987 request for land acquisition is $31 million. Of this amount, $13 million for the National Park Service will fund administration of on-going acquisition actions from prior years and pay for emergency and hardship acquisitions and anticipated deficiency court awards. Another $1.5 million will fund administration of on-going Fish and Wildlife Service acquisitions. The balance is for land acquisition activities; $16.5 million financed by receipts from the sale of duck stamps. Assuming approval of proposed legislation to increase the price of the duck stamp from $7.50 to $10.00, it is estimated that revenue of $16.5 million will be available to acquire approximately 24,800 acres of wetlands in 1987.

Our total request of $14.5 million in current appropriations for land acquisition is a reduction of $91.2 million from 1986 appropriations. It is a reduction of $62.5 million from the current 1986 estimate, which reflects sequestration of $4.5 million in budget authority permanently cancelled under P.L.99-177 and proposed 1986 rescissions of $24.3 million. Because a large number of acquisitions have been funded over the past five years, the Department believes that land acquisition expenditures can be deferred without impairing the primary missions of the National Park Service and the Fish and Wildlife Service.

From 1981 through 1985, the National Park Service spent over $470 million to acquire 91,000 acres of park land. The Fish and Wildlife Service, during the same period, acquired 160,694 acres of refuge lands and 235,000 acres of migratory bird habitat at a cost of $274 million derived from the Land and Water Conservation Fund and the Migratory Bird Conservation account. During 1986, $60.5 million in new appropriations from the Land and Water Conservation Fund and $29 million in Migratory Bird Conservation funds will be available for land acquisition.

Construction. The Department has invested over $1.6 billion in construction since FY 1981. Given this large, recent investment and given the need for overall fiscal constraint, the 1987 request for construction programs is $100.5 million, a reduction of $169.5 million from the current estimate, which reflects sequestrations of $11.4 million in budget authority permanently cancelled under P.L. 99-177 and a proposed rescission of $8.7 million. The 1987 request is $159.7 less than enacted 1986 appropriations.

Construction funding for the National Park Service will be reduced $70.7 million from the current 1986 estimate to $29.1 million in 1987. This amount will fund 8 projects in 7 parks, all of which will address health, safety and resource protection objectives.

Bureau of Indian Affairs construction funding will be reduced $66.7 million from the 1986 estimate to $59.2 million in 1987. This reduction results in part from the inclusion in 1986 of $20.9 million to meet special housing needs associated with Navajo-Hopi relocation and the proposed FY 1986 transfer of $25 million to repay funds borrowed in 1985 to cover fire suppression costs. The emphasis in BIA construction in 1987 will be on correcting unsafe conditions in schools, repairing houses and rehabilitating dams, and on meeting the Federal government's commitment for the Papago water rights settlement.

Other construction decreases include $17.1 million from the 1986 estimate for Fish and Wildlife Service construction and $14.9 million for construction in the territories.

Sharing Net Receipts with States and Counties. The budget proposes that, beginning in FY 1987, the costs of managing and administering onshore mineral leasing be deducted from total revenues and that payments to States be based on the resulting net amount. Currently, state shares (50 percent for all states except Alaska, which is 90 percent) are computed on a gross basis without taking into account the costs of obtaining and distributing these receipts. These costs are now borne entirely by the Federal government.

Under our receipts sharing proposal, revenues from the onshore minerals program will provide the states with $551.5 million as a permanent appropriation in 1987. This will be a decrease of $53.5 million from the amount that the states would receive under current law.

Sharing of net receipts is also proposed for timber receipts from the former Oregon and California Railroad grant lands. This proposal will reduce estimated 1987 payments to O&C counties in Oregon from $65.1 million to $40.1 million, a reduction of $25 million.

Compact of Free Association. The budget requests $144.3 million for 1987 implementation of the recently adopted Compact of Free Association with the Federated States of Miconesia and the Republic of the Marshall Islands. However, because of first year funding for the Compact of $327.5 million in 1986 ($56.5 million of which would be funded by existing FY 1986 appropriations from the Trust Territory account), the 1987 request is a net decrease of $126.7 million in new budget authority.

Wildlife Restoration (Pittman-Robertson). The budget estimates that 1987 payments to the states under the Pittman-Robertson Federal Aid in Wildlife Restoration Act will be $95 million, a decrease of about $26 million below the current 1986 estimate of $121 milllion. This reduction results from delays that occurred in past years in reporting excise tax receipts on sporting arms, ammunition and other equipment and from an adjustment in receipts reporting made by the Internal Revenue Service in 1986. The effect of these actions has been to cause a one-time increase in 1986 of approximately $35 million over the 1985 estimate of $86 million. In 1987, because of a decrease of $6.5 million in Federal costs of administering the program, the states will receive a larger share of total Pittman-Robertson funds than in past years.

Other Reductions. Other reductions include $15.4 million from the current estimate for the programs of the Geological Survey; $20.6 million from the programs of the Bureau of Mines; and $5.2 million from the Historic Preservation Fund.

Receipts

The Department of the Interior generates substantial revenue for the Federal government. For 1987, estimated receipts will be $7.8 billion, a decrease of $228 million from estimated 1986 receipts. Let me highlight some of the differences in our receipts estimate for 1987 compared with 1986.

The budget assumes a judicial resolution of the pending OCS 8(g) and Section 7 disputes, resulting in a payout over the next four years of the Outer Continental Shelf (OCS) mineral leasing funds held in escrow under these sections with related interest. More specifically, the budget reflects the position the Department has taken in litigation now pending in the Federal courts.

Our 8(g) litigation position is that Section 8(g) entitles the states to compensation only for any oil and natural gas actually drained from state lands by Federal leases. Our Section 7 litigation position is that the lands in question are wholly owned by the United States. For budgetary purposes, drainage is assumed to equal 4 percent of the escrowed funds and related interest.

Our receipt estimates in 1986 are based on payout of $481 million in principal and $300 million in interest for the undisputed portion of the Texas 8(g) escrow that the court has ordered distributed to us; no payout is projected for 1987, but in 1988 payout of $3.2 billion in principal and $2.5 billion in interest is estimated on the assumption that litigation with Texas and Louisiana over Section 8(g) and Alaska over Section 7 will be resolved in our favor. The Federal share of the balance of the payout of the 8(g) escrow account is expected to be completed in 1989 and amounts to $2.3 billion in principal and interest in that year.

In 1987, total OCS receipts will be $5.3 billion, a decrease of $0.2 billion from 1986. This decrease results from a payout from escrow of $0.5 billion in 1986, but no assumed payout in 1987. The decrease more than offsets an increase of $0.2 billion in rents and bonuses (due to more resources being offered in 1987) and from $0.1 billion more in royalties as the result of expected higher production and lower Windfall Profit Taxes more than offsetting the lower oil and gas prices assumed for the year.

Onshore mineral leasing receipts will increase by $81.6 million from 1986 to 1987 primarily as a result of a projected increase of $58.4 million in coal royalties due to two factors: an expected increase in production and a continuation of the policy of shifting from a "cents per ton" to a "percentage of value" basis for computing royalties.

Other offsetting Interior receipts (excluding onshore mineral leasing) are estimated at $0.9 billion in 1977, an increase of $165 million over the current estimate for 1986. Of the increase, $37 million is from higher timber receipts, $52.5 million is from park entrance fees, and $57 million is from all other offsetting receipts.

I would now like to discuss some of the highlights of the budget request for each Bureau.

Bureau of Land Management

The Bureau of Land Management (BLM) is responsible for the conservation, management and development of 340 million acres of public lands largely in the western states, including 165 million acres in Alaska. BLM has responsibility for mineral leasing and supervision of minerals operations on the public lands, as well as on an additional 370 million acres of Federal mineral estate that underlies other surface ownership.

The 1987 budget estimate for BLM is $603.6 million, an increase of $11.9 million from the 1986 appropriation level of $591.7 million. The 1987 estimate is an increase of $40.1 million over the 1986 estimate, which reflects the sequestration of $28.2 million permanently cancelled under P.L. 99-177 (Gramm-Rudman-Hollings).

The primary reason for the apparent increase from 1986 to 1987 is that a portion of the timber payments to the Oregon and California (O&C) grant lands counties, scheduled for the beginning of 1986, was made at the end of 1985, reducing the 1986 base against which the 1987 estimate is compared. Had payments been recorded in 1986 in the normal pattern, the 1987 estimate would be a decrease of $21 million from the 1986 estimate.

The total impact of P.L. 99-177 on BLM is the permanent cancellation of $28.2 million in budget authority and an additional decrease of $0.3 million in 1986 spending and obligational authority. The effect on outlays is a 1986 decrease of $23.9 million.

The 1987 budget requests $379.1 million for Management of Lands and Resources (MLR), the Bureau's principal operating account, a decrease of $0.1 million from the 1986 estimate. This appropriation includes funds for energy and minerals management, lands and realty management, renewable resources management, planning and data management, cadastral surveys, firefighting and rehabilitation, technical services and general administration. The 1987 amount also includes funding to carry out legislation that will be proposed to implement the interchange of lands between BLM and the U.S. Forest Service.

The 1987 MLR estimate reflects the continuing emphasis on volunteerism and private investment on the public lands, as well as on cooperation with state and local governments and private users to share in funding and administration of the many different public land activities of predominantly local interest.

Within the MLR account, $77.6 million is requested for energy and minerals management, a $2.7 million decrease from the 1986 estimate. This is primarily due to lower workload demands for energy programs such as coal, geothermal, oil shale and tar sands. However, BLM's oil and gas program is proposed to increase by $3.9 million, which will allow processing of additional lease adjustments, the performance of diligence reviews on Indian lands and funding of costs associated with delegation of oil and gas inspection authority to individual states and Indian tribes.

The Oil Shale and Tar Sands Program will be terminated in 1987 due to declining industry interest in the development of existing leases and a lack of interest in new lease offerings. A decrease is proposed for coal leasing funds because of declining interest by the industry. The Wild Horse and Burro Program will emphasize decreasing long term maintenance costs by increasing adoptions in 1987. Cadastral surveys in Alaska have been reduced by $3.4 million.

To fund BLM implementation costs for proposed legislation to authorize the interchange of land management responsibility between the U.S. Forest Service and BLM, the budget includes a separate request for the MLR account of $3.4

million. Draft legislation for the interchange is expected to be submitted to the Congress this week now that there has been extensive consultation with the public, state and local officials and Members of Congress. Adoption of the proposed legislation will result in net savings of $32 million over five years.

An appropriation of $51.2 million is requested for operations for the O&C grant lands, a decrease of $2.2 million from the 1986 estimate. Major activities financed by this appropriation are construction and land acquisition support, facility maintenance, renewable resource management, and the maintenance of land use plans on commercially valuable forest lands in western Oregon.

The budget requests $105 million for Payments in Lieu of Taxes to local jurisdictions that contain Federal lands, providing full funding for this program. The budget requests $8.5 million for range improvement work. This request is based on a policy that would fund range improvements at 50 percent of the receipts collected from grazing on the public lands.

Beginning with 1987, timber receipts shared with O&C counties are proposed to be paid on a net revenue basis after deducting management costs. This proposal would divide the estimated cost of producing the receipts between the counties and the Federal government. The counties' estimated share of management costs for 1987 is $25 million resulting in a total payment of $40.1 million.

BLM estimates it will collect $254 million in receipts from timber sales, sales of lands and vegetation, grazing fees and miscellaneous other sources during 1987, an anticipated increase of $24 million over 1986. The major portion of the expected increase is from timber sales.

Minerals Management Service

The Minerals Management Service (MMS) has responsibility for leasing and supervising the development of mineral resources on the Outer Continental Shelf (OCS) and for collecting and accounting for royalties and other mineral revenues due from Federal and Indian leases, both onshore and offshore. As one of the largest collectors of revenue for the Federal government, MMS will collect and account for $6.6 billion in Federal receipts in 1987, including $5.3 billion from OCS bonuses, rentals and royalties and $1.3 billion from onshore mineral leasing.

The 1987 budget estimate for the Minerals Management Service (MMS) is $711.8 million, a decrease of $29.6 million compared to the 1986 appropriation of $741.4 million. The 1987 estimate is a decrease of $23.2 million from the current 1986 estimate, which reflects the sequestration of $7.2 million in budget authority permanently cancelled under P.L. 99-177 (Gramm-Rudman-Hollings).

The total 1986 impact of P.L. 99-177 on MMS will be the permanent cancellation of $7.2 million in budget authority and an additional decrease of $23.9 million in spending authority for payments to states from receipts under the Mineral Leasing Act. The $23.9 million will not be paid during

1986, but will remain available in the future in accordance with and to the extent permitted by law. The effect on outlays is a 1986 decrease of $28.7 million.

The $160.3 million requested for annual program operations in 1987 is an increase of $0.5 million when compared to the 1986 estimate of $159.8 million. Within the 1987 level of funding, a net reduction totalling $1.8 million is proposed for the OCS leasing program, primarily due to lowered funding for environmental studies and reduced offshore operations. However, an increase of $0.9 million is included within the OCS program for acquisition of pre-lease geological and geophysical data from permits issued prior to 1986. Reductions totalling $0.5 million are proposed for the Royalty Management Program, due mainly to operational, maintenance, and lease cost savings resulting from installation of a new computer hardware system in 1986. The 1987 budget proposes $0.8 million to consolidate the MMS headquarters staff, which is currently located in five widely separated offices around the Washington, D.C. metropolitan area, in a single location. Additionally, increases are proposed for rental payments and proposed legislation to allow the Department to pay interest on refunds, totalling $0.8 million and $0.2 million respectively.

The 1987 estimate of $551.5 million for payments to states incorporates a proposal that net, rather than gross, receipts from mineral leasing revenues be shared with the states. Net receipts are derived by deducting the costs of generating the revenues. Currently, most states receive 50 percent of these revenues without deduction of any of the Federal costs incurred to produce the revenues. This receipts sharing proposal, which requires legislative approval, would reduce payments to states by an estimated $53.5 million in 1987.

The 1987 estimate for payments to the states is a reduction of $23.7 million from the 1986 estimate of $575.2 million, which includes a requested supplemental of $800,000 for interest payments. However, the 1986 estimate includes $23.9 million in budget authority that is to be sequestered by P.L. 99-177.

Office of Surface Mining Reclamation and Enforcement

The Office of Surface Mining Reclamation and Enforcement (OSMRE) administers programs for the regulation of coal mining operations to protect the environment and for reclaiming lands damaged by past mining activity. OSMRE reviews, monitors, and assists state regulatory and reclamation programs to accomplish these objectives and carries out regulatory and reclamation activities in states that do not have approved programs and on Federal and tribal lands.

The 1987 budget estimate for OSMRE is $291.4 million, an increase of $0.1 million from the 1986 appropriation. The 1987 estimate is an increase of 12.6 million from the current 1986 estimate, which reflects sequestration of $12.5 million in budget authority permanently cancelled under P.L. 99-177 (Gramm-Rudman-Hollings). The $12.5 million in budget authority cancelled under P.L. 99-177 will result in 1986 outlay reductions of $4.6 million. For the Regulation and Technology appropriation, the 1987 budget requests $100.9 million, an increase of $19.4 million over the 1986 estimate. This increase will enable OSMRE to increase its financial and technical support for state regulatory programs and improve its Federal enforcement capability. Major increases include: $9.7 million for state regulatory grants; $3.3 million for improved regulatory and enforcement training for state and OSMRE staff; $3.9 million to expand OSMRE's applicant-violator system and design a comprehensive financial management system; and $3.0 million to implement a management improvement initiative to decentralize certain program and administrative functions from headquarters to field offices and technical centers. (An additional increase of $1.1 million for a total of $4.1 million for decentralization is included in the Abandoned Mine Reclamation Fund request.)

For the Abandoned Mine Reclamation (AML) Fund, the budget requests $190.5 million, a net decrease of $6.8 million from the 1986 estimate. The request includes $150.6 million for non-matching state reclamation grants, which is an increase of $1.2 million over the estimated 1986 level of support. The 1987 proposed funding level will provide full administrative support for the states and allow the states to initiate over 225 new construction projects.

Other major AML changes include decreases of $8.2 million for the Rural Abandoned Mine Program (RAMP) administered by the Soil Conservation Service of the Department of Agriculture, and $2.9 million for the Small Operator Assistance Program (SOAP). The $0.8 million requested for RAMP is sufficient to complete existing projects. No additional SOAP funds are needed because projected carryover balances of prior year appropriations are estimated to be sufficient to support the anticipated program level. A $0.8 million increase is requested for fee compliance to improve the collection of AML fees.

Geological Survey

The major missions of the Geological Survey (GS) are to undertake research, fact finding, and mapping and to disseminate the resulting information to the public in order to improve upon the knowledge of the extent, distribution, and character of natural resources, and of the geologic processes, structure, and hazards that affect the development and use of the Nation's land and the physical environment.

The 1987 budget estimate for GS is $396.0 million, a decrease of $33.9 million from the 1986 enacted level of $429.9 million. The 1987 budget estimate is a decrease of $15.4 million from the 1986 estimate, which reflects the permanent cancellation of $18.5 million in budget authority under P.L. 99-177 (Gramm-Rudman-Hollings).

The total 1986 impact of P.L. 99-177 on the Geological Survey in the permanent cancellation of $18.5 million in budget authority and the additional sequestration of $3.5 million in obligational authority. The effect on outlays for GS is a 1986 decrease of $21 million.

The 1987 estimate includes $83.4 million for the national mapping program. Within this total, funds are requested to continue the transition from the existing analog cartographic production system to an advanced digital cartographic system that will take advantage of emerging computer technologies. Decreases are proposed for the primary mapping and revision, intermediate, small scale, special and image mapping and remote sensing applications research programs. The side-looking airborne radar program is proposed for elimination because the technology has been demonstrated and applications data can be acquired from the private sector as needed.

The estimate also includes $159.0 million for geologic research and investigations. Decreases are proposed in seismic monitoring and scientific investigations related to earthquake and landslide hazards, cooperative geologic mapping, geomagnetism, mineral, coal and geothermal resource investigations and offshore geologic surveys. The coastal erosion processes study begun in 1986 will be suspended.

The 1987 estimate includes $124.7 million for investigations to appraise the Nation's water resources and to assure that the water data necessary to develop and manage them effectively are available. This funding level will enhance the national water-quality assessment program begun in 1986 to provide water-quality data and analyses on major surface-water basins and ground-water systems.

Decreases are proposed in both the Federal and Federal/State cooperatively funded data collection and analyses programs, national water data and information access, regional aquifer analyses, core hydrologic research, improved instrumentation, nuclear waste hydrology and acid rain programs. Funding for the Water Resources Research Institutes and Grants Programs and associated administrative costs are also proposed at reduced levels.

Bureau of Mines

The mission of the Bureau of Mines is to help ensure that the Nation has adequate and dependable mineral supplies for economic, security and other needs. Research is conducted to provide the technology for the extraction, processing, use, and recycling of the Nation's mineral resources at acceptable social, environmental, and economic costs. The Bureau also collects, analyzes, and publishes statistical and economic information on all phases of mineral resource development and analyzes the effects of public policy alternatives on mineral supply and demand.

The 1987 request for the Bureau of Mines is $107.6 million, a decrease of $26.3 million from the 1986 appropriation and a decrease of $20.6 million from the current 1986 estimate, which reflects the sequestration of $5.7 million in budget authority for the Mines and Minerals account permanently cancelled under P.L. 99-177 (Gramm-Rudman-Hollings).

The total 1986 impact of P.L. 99-177 on the Bureau of Mines is the permanent cancellation of $5.7 million in budget authority and the additional sequestration of $103,000 in spending authority for the Helium Fund. The effect on outlays for the Bureau is a 1986 decrease of $4 million.

The 1987 decrease results from bringing lower priority efforts to conclusion while focusing efforts on a select number of high priority research topics. The request includes $61.2 million for research in all phases of mining and mineral extraction and recycling; $26.6 million for the collection and analysis of data on minerals; and $19.3 million for general administration.

Funding is not requested for the 31 Mineral Institutes, resulting in a decrease of nearly $8.0 million. Grant funds appropriated in 1986 and prior years will support the basic programs of the Mineral Institutes through the 1986-7 academic year. Research grants will continue to support activities in the five generic minerals technology areas through 1988. In the future, it is proposed that the Institutes rely on funding from the states and private industry who are the primary beneficiaries of these programs.

Fish and Wildlife Service

The mission of the Fish and Wildlife Service is to conserve, protect, and enhance certain fish and wildlife and their habitats. The Service manages the national wildlife refuge system of 433 units, 152 waterfowl production areas, and 58 management areas on more than 90 million acres. In addition, the Service currently manages 73 fish hatcheries throughout the country.

The 1987 budget estimate for the Service is $581.4 million, a decrease of $70.4 million compared to the 1986 appropriation of $651.8 million. The 1987 estimate is a decrease of $49.2 million below the current 1986 estimate which reflects the sequestration of $16.4 million in budget authority permanently cancelled under P.L. 99-177 (Gramm-Rudman-Hollings) and a proposed rescission of $5 million.

The total 1986 impact of P.L. 99-177 on the Fish and Wildlife Service is the permanent cancellation of $16.4 million in budget authority and an additional decrease of $11.5 million in spending authority and $192,000 in obligational authority from offsetting collections. The effect on outlays is a 1986 decrease of $17.7 million.

The request for Resource Management, the Service's principal operating account, is $285.1 million, $1.4 million below the 1986 estimate. Within the total funding level, some proposed new or expanded initiatives, such as studies of the effect of contaminants on fish and wildlife resources and operational activities for new wildlife refuges, are offset by certain activities that are lower priority, can be deferred, or that no longer fall within the mission of the Service. These include, for example, termination of three state grant programs (anadromous fish, endangered species, and Alaska subsistence).

Support for the operation and maintenance of national wildlife refuges will total $96.3 million, which includes $1.6 million for the operation of new and expanded refuges. Funding for Accelerated Refuge Maintenance Management (ARMM) totals $8.8 million compared to $17.8 million in 1986. This reduction reflects substantial early accomplishments to date in meeting maintenance needs, completed through additional Congressional funding during the first three years of the ARMM program and the two-year Jobs Bill program.

The lowest waterfowl breeding population recorded in the 31 years of surveys occurred in 1985. The estimated 1985 fall flight was 22 percent lower than 1984. Although the Service has already taken action in response to this decline, the 1987 budget requests an additional $5.1 million in its wildlife resources programs to further restore waterfowl population levels. This would be accomplished through methods to increase waterfowl production and research studies to determine non-hunting mortality factors that can be further minimized by habitat management practices.

The Service is continuing to actively monitor and evaluate the effects of environmental contaminants resulting from agricultural and industrial development on fish and wildlife resources and their habitats. Within its habitat resources programs, the Service is proposing $2.2 million to intensify evaluation of the most critical contaminant areas, expand monitoring of contaminant sources, and restore chemical analytical ability to Service laboratories.

Funding for endangered species will total $23.2 million in 1987 compared to $29 million in 1986. The largest single reduction, $4.2 million, results from termination of the state grant program. Endangered species recovery actions will be continued for the highest priority species. A reduction in Federal recovery actions for some species is proposed since certain projects will be completed in 1986 and others are now adequately funded through private and state sources. The budget proposes that the forensic laboratory, to be established with $1 million in 1986, will be operated in 1987 using receipts collected from port inspection fees.

The budget proposes $48 million for fishery resource programs, nearly the same amount as the 1986 estimate. The budget continues maintenance and restoration efforts of nationally significant, economically important fishery resources for which there is a clear Federal responsibility and role. In accordance with the recent redefinition of the roles and responsibilities of the Service's fisheries resources programs, the budget proposes to close or transfer to state operation six hatcheries supporting lower priority fish production that primarily stock private waters and to close aquaria and visitor facilities at six hatcheries. In addition, one-time maintenance funded in 1986 will be discontinued in 1987. These actions will result in a reduction of $2.1 million in 1987 in hatchery operations and maintenance.

An increase of $809,000 is proposed to continue mitigation efforts under the Lower Snake River Compensation Plan to restore steelhead and salmon stocks depleted as a result of water development projects on the Lower Snake River. An additional $214,000 is proposed to identify and quantify federal fishery resource related mitigation requirements and an increase of $110,000 is proposed to conduct an assessment of Great Lake fish stock in support of a settlement on Indian fishing rights. Reduction of $667,000 in fishery resources research and development is proposed as the result of one-time acquisition and completion of certain maintenance activities in 1986 and termination of experimental aquaculture demonstration activities at the National Fishery Center in Leetown, West Virginia.

The 1987 construction request for the Service totals $3.1 million compared to $18.4 million in the 1986 estimate. About $2.8 million will be used for dam safety. The remaining funds will be used for the continuation of advanced construction planning.

No funds are requested in 1987 for new land acquisitions from the Land and Water Conservation Fund (LWCF) or the Migratory Bird Conservation account. However, $1.5 million is requested to administer on-going acquisitions and an additional $16.5 million from the sale of duck stamps is estimated to be available for acquisitions in 1987, based on proposed legislation to increase the price of the duck stamp from $7.50 to $10.00. The $16.5 million will be used to acquire an estimated 24,800 acres of wetlands. During the past five years, considerable resources have been made available to the Fish and Wildlife Service for land acquisition. For example, between 1981 and 1985, $108.5 million has been obligated from the Migratory Bird Conservation account to acquire more than 235,000 acres of important migratory bird habitat. During the same period, $165.5 million from the LWCF has been used to acquire 160,694 acres of other valuable refuge lands. In addition, during this period donations of lands totalled 137,306 acres. In 1986, $287 million in new Migratory Bird Conservation funds and $33.7 million from the LWCF are available to continue these acquisitions. The LWCF amount reflects includes a proposed rescission in 1986 of $5.0 million of previously appropriated land acquisition funds. The rescission of these lower priority land acquisition projects will help meet overall deficit reduction goals.

The 1987 budget proposes $5.6 million in appropriations for payments to counties in lieu of taxes under the National Wildlife Refuge Fund, compared to $5.4 million in the 1986 estimate. Appropriated funds will be supplemented with prior year receipts (approximately $4.6 million) from the sale of timber, grazing privileges, oil, gas, minerals and from current user fees.

Both the Dingell-Johnson program of sport fish restoration grants and the Pittman-Robertson program of wildlife restoration will be fully funded in 1987. Payments under Dingell-Johnson are expected to increase by about $39.3 million over 1986 to $161.5 million, a level that represents more than four times the 1985 amount of $38.1 million.

Estimated payments under Pittman-Robertson are expected to decline in 1987 by about $25.8 million to $95 million, due to delays in reporting receipts and a one-time adjustment made by the Internal Revenue Service in 1986 that caused amounts available in 1986 to be higher than previously estimated. The 1987 estimate represents a return to a more typical level of collections. For both Dingell-Johnson and Pittman-Robertson, the states will receive a larger share of total funding because of a reduction in Federal costs of administering the two programs.

National Park Service

The National Park System contains 337 areas which cover 79.4 million acres of land in 49 States, the District of Columbia, Puerto Rico, the Virgin Islands, Guam and the Northern Mariana Islands. The National Park Service has the dual responsibility of protecting the natural and cultural resources of these areas and providing for their use and enjoyment by the public. The Service also conducts a variety of programs that promote and assist outdoor recreation planning, preservation of cultural and natural resources, and environmental compliance and review along with other Federal agencies, state and local governments, and private organizations.

The total 1987 estimate for the National Park Service is $734.3 million, a decrease of $195.9 million compared to the 1986 appropriation of $930.2 million. The 1987 estimate is a decrease of $59.3 million from the current

1986 estimate, which reflects the sequestration of $39 million in budget and contract authority permanently cancelled under P.L. 99-177 (Gramm-Rudman-Hollings) and proposed rescissions of $111.2 million in budget and contract authority.

The total 1986 impact of P.L. 99-177 on the National Park Service is the permanent cancellation of $39 million in budget and contract authority, an additional decrease of $1.0 million in spending and obligation authority, and a loan limitation decrease of $0.1 million. The effect on outlays is a 1986 decrease of $25.6 million.

The 1987 budget request proposes increased funding for park operations through the enactment of legislation authorizing the Secretary of the Interior to establish new, and increase existing, park entrance fees and to use the revenues from these fees to operate and maintain park areas. Under this proposal, 80 percent of all revenues generated from recreation fees would be available to the Park Service in a permanent account. The remaining 20 percent would be deposited in the Treasury. The legislation, if enacted, will provide additional financial support to the National Parks, to be derived from park users rather than the general taxpayer.

The 1987 appropriation request under current law for the Operation of the National Park System is $596.5 million. Under the proposed recreation fee legislation, an additional $59 million would be available, thus providing an overall increase for park operations of $44.8 million above the 1986 level.

The $59 million from recreation fees would provide a portion of the base funding for maintenance, repair and rehabilitation, and all base program funding for information publications, exhibit preservation and rehabilitation at Harpers Ferry Center, visitor transportation systems, fee collection costs, cultural and natural resource preservation programs, and Volunteers-in-Parks. The recreation fees will also provide funding increases of over $14 million for park operations and other increases for information publications, Volunteers-in-Parks and for increased costs of fee collections.

Proposed increases in the 1987 estimate include $3.8 million for fixed administrative expenses and $3.9 million for additional operational expenses for Ellis Island National Monument and Independence National Historical Park. Historic structures that are currently under restoration at Ellis Island National Monument will be reopened in 1987. The Park Service expects a significant increase in workload from anticipated higher visitation to the refurbished Statue of Liberty and Ellis Island sites and an expanded physical plant on the island will result in higher operating costs. Independence National Historical Park in Philadelphia, Pa. will be the focal point for a series of major events commemorating the bicentennial of the Constitution of the United States. Additional increases include $2.7 million to finance the cost of mining and minerals evaluation studies in Alaska to ensure compliance with existing laws and regulations, and $1.0 million to support the National Park Service's position in water rights litigation in several Western states. A decrease of $1.7 million in support for a number of private cultural and artistic institutions is proposed.

The 1987 request for National Recreation and Preservation is $9.5 million, $1.0 million less than the 1986 estimate. The Service is proposing to reduce the amount of Federal involvement in public recreation programs that are carried out at the state and local level as part of the overall effort to help reduce the Federal deficit. Accordingly, technical assistance to states and local governments for recreation programs will be reduced and technical assistance to states for river conservation will be eliminated.

The proposed budget for construction is $29.1 million, a decrease of $70.7 million. The amount requested includes $8.5 million to be derived from the Visitor Facilities Fund. A total of 8 projects in 7 parks will comprise the construction line item program for 1987, including 3 projects that will use monies transferred from the Visitor Facilities Fund. All projects address health and safety or resource protection objectives. The budget also includes a proposed rescission in 1986 of $13.6 million of 1986 and previously appropriated construction funds. The rescission of these lower priority construction projects will help meet overall deficit reduction goals.

The 1987 request to support the non-performing arts operations of the John F. Kennedy Center for the Performing Arts is $4.8 million, an increase of $0.2 million from the 1986 estimate.

A total of $15.3 million is requested for the Land Acquisition appropriation, a decrease of $23.1 million from the 1986 estimate. Within this level, $8.0 million will be available for emergency and hardship acquisitions and to pay anticipated deficiency court awards. Remaining funds will be used to administer ongoing acquisition actions and the close-out of Land and Water Conservation Fund State matching grants awarded in prior fiscal years. The budget also proposes in 1986 a $55.2 million rescission of lower priority land acquisition projects and state matching grants to assist in the goal of reducing Federal outlays. An additional $28.7 million in contract authority is also proposed for rescission.

No budget authority is requested for grants from the Historic Preservation Fund, a decrease of $5.2 million from the 1986 estimate. Beginning with the rescission of $18.5 million in 1986 funding, the Administration proposes to eliminate all direct Federal funding for the preservation of historic properties except for those properties that are part of the National Park System. Historic Preservation Fund grants to states are no longer vital to ensure that preservation activities continue. Federal support over the past 15 years has facilitated the establishment of a network of effectively functioning state preservation offices which can continue to operate without Federal assistance. The encouragement of private sector involvement in historic preservation through the enhancement of economic and tax incentives has been highly successful.

The 1987 request also eliminates direct Federal support for the Illinois and Michigan Canal National Heritage Corridor and the Jefferson National Expansion Memorial Commissions. In total, the two commissions were funded at $0.3 million in 1986.

The Administration is proposing a reauthorization of funding available from the Highway Trust Fund for park road projects. Under the proposed reauthorization, $75 million would be available for Park Service road projects in 1987.

Bureau of Indian Affairs

The Bureau of Indian Affairs (BIA) is responsible for managing and protecting natural resources on 52 million acres of trust lands and for assisting tribes to serve nearly 800,000 American Indians and Alaska Natives. It provides community services, operates or provides financial support to operate schools, maintains law enforcement systems, makes welfare payments, and assists in farming, ranching, forestry and mining. These services are provided directly by the Bureau and through self-determination contracts with over 300 tribes.

The Bureau's budget is the largest in the Department, comprising 21 percent of the current appropriations requested in 1987. The request of $1.455 billion for BIA includes $924.7 million in direct Federal appropriations and $530.6 million in permanent appropriations and trust funds.

The 1987 budget estimate of $1.455 billion for BIA is a decrease of $44.5 million compared to the 1986 appropriation of $1.5 billion. The 1987 estimate is a decrease of $27.6 million from the current 1986 estimate which reflects the sequestration of $43.4 million in budget authority permanently cancelled under P.L. 99-177 (Gramm-Rudman-Hollings), and a request of $26.5 million for supplemental funds to repay 1985 fire suppression costs and meet the terms of a settlement involving Indian fishing rights in Michigan.

The total impact of P.L. 99-177 on the Bureau of Indian Affairs is permanent cancellation of $43.4 million in budget authority, an additional decrease of $2.5 million in 1986 spending and obligational authority, and a loan limitation decrease of $3.4 million. The effect on outlays for BIA is a 1986 decrease of $34.8 million.

The program operations portion of the budget is $862 million, $7 million above the 1986 estimate. This increase is the net difference resulting from several program changes. The major change in this account is the transfer of funds to the Department of Education's Indian Education Appropriation of the Johnson-O'Malley program which will provide $22.1 million in 1986 for Indian children in public schools. Conversely, Department of Education funds ($11.5 million) that have been provided to BIA funded schools for special enrichment programs and pilot and demonstration projects in past years are proposed to be transferred to BIA in 1987 for the same purposes. Under this proposal, the Department of Education would be responsible for Indian students in public schools and BIA would be responsible for Indian students in BIA supported schools.

While most Bureau operating programs would increase between the 1986 estimate and the 1987 request, some are proposed for reduction. The largest reduction is $12.4 million for financial support of programs in Alaska where several efforts are being reduced or eliminated. This proposed reduction will be partially offset by an increase of $2.5 million to accelerate surveys of Alaska Native allotments. Given the improvement in the State's economy which has benefitted Native economic status, the absence of large blocks of trust land holdings that the United States has statutory responsibility to manage, and the absence of any tribal treaty rights to be protected, the Administration believes that Alaska Natives no longer require the levels of financial support that the Federal Government provided in the past. In the recent past, the State has taken on greater responsibility for serving Alaska Natives with educational and welfare assistance programs. Moreover, Alaska has only one reservation; over 30 percent of Alaska Natives live in urban areas, and the remainder in villages, which can receive revenue sharing under Alaska State law to meet their needs.

The budget proposes other decreases in operating programs including the elimination of one-time emergency assistance of $5.7 million provided to Indian livestock operators in 1986, and a $3.5 million decrease for self-determination grants.

The budget includes proposals that will benefit tribes. Tribal programs reflecting priorities at the local level are displayed separately in budget documents for the first time. Tribes have a choice on how funds are spent at the local level, setting funding priorities among the numerous Bureau programs carried out on reservations. A majority of these programs are operated by tribes under contract with the bureau. Potentially, this new budget arrangement will give tribes greater flexibility in the use of these funds, which total $295 million. Excluding the Alaska reductions and the reduction of self-determination grants, an increase of about $10 million is requested in these funds.

Those tribes that initiate new contracts to operate BIA-funded programs will also benefit from the $7.6 million (an increase of $5.7 million) being requested to cover indirect costs associated with such contracts.

The BIA construction budget totals $59.2 million in 1987. These funds will be use to correct unsafe conditions in schools, repair houses, rehabilitate hazardous dams, and meet the Federal Government's commitment for the Papago water rights settlement. Under the proposed reauthorization of road construction funding available from the Highway Trust Fund, $75 million would be available for BIA road projects in 1987.

Permanent appropriations and trust funds are estimated to be $532 million in 1987, an increase of approximately $39 million from 1986. The major change in receipt estimates is an increase of $25 million in the amounts paid to Indian tribes and individuals in settlement of claims against the Government. Receipts from timber fees--are expected to increase by $10 million. Oil and gas receipts will increase by about $1 million. Other receipts increases occur as the result of irrigation and power charges and from the use of government quarters.

Office of Territorial and International Affairs

The Assistant Secretary for Territorial and International Affairs carries out the responsibilities of the Secretary for the U.S. Territories of American Samoa, Guam, the Northern Mariana Islands and the Virgin Islands, as well as for the Trust Territory of the Pacific Islands and the freely associated states of the Republic of the Marshall Islands and the Federated States of Micronesia (FSM). The objectives of the Office of Territorial and International Affairs are to promote the political, economic and social development of the territories and direct each toward greater self-government and self-reliance. In the case of the freely associated states, the objective is to administer and supervise continuing Federal programs and funds provided under the recently enacted Compact of Free Association (P.L. 99-239).

The 1987 request totals $283.8 million in comparison to current 1986 appropriations of $219.8 million. However, the 1987 request is a reduction of $197.4 from the current 1986 estimate of $481.3 million, which reflects a requested supplemental appropriation of $270.9 million and sequestration of $9.5 million in budget authority permanently cancelled under P.L. 99-177 (Gramm-Rudman-Hollings).

The 1987 request for administration of the U.S. Territories is $71.5 million, a decrease of $8.3 million from the current 1986 estimate. The request includes $20.7 million for an operations grants to American Samoa (an increase of $1 million) and $9.1 million for construction projects in Guam, American Samoa, and the Virgin Islands (a decrease of $5.9 million). Technical assistance funding is proposed at $2.2 million, a decrease of $2.5 million, and loan assistance for the Guam Power Authority will decrease $6.5 million to $1.6 million. The covenant grant for Northern Mariana Islands operations and capital development is proposed to be $35.3 million, an increase of $8.8 million. The budget reflects a policy of encouraging increased private sector participation in territorial development, while enhancing government efficiency and encouraging economic diversification of the islands.

An estimated $55 million will be provided to Guam and the Virgin Islands from anticipated Federal collections of income and excise taxes. This payment will be a decrease of $2.4 million from the 1986 estimate of $57.4 million.

Approximately $13 million is requested for 1987 to fund the Trust Territory of the Pacific Islands, which is a decrease of $63.4 million from the 1986 estimate. However, almost all of the decrease is attributable to the fact that funding for the Republic of the Marshall Islands and the FSM is no longer included in this account. The $13 million requested for 1987 will provide $10.6 million for the Republic of Palau (an increase of $0.5 million) and $2.5 million for Trust Territory operations (a decrease of $2.7 million).

The budget requests $270.9 million in a 1986 supplemental and $144.3 million in 1987 funding to implement the Compact of Free Association. Approximately $181 million of the 1986 request reflects one-time funding provided during the first year of Compact implementation. Payments under the Compact during 1986 and 1987 are the first two of 15 annual payments to the Marshall Islands and to the FSM that will eventually total approximately $2.3 billion.

Secretarial Offices

The budget requests for Secretarial offices total $80.7 million. This is a decrease of $0.7 million from the enacted 1986 appropriations for these offices, but an increase of $2.8 million from the current 1986 estimates, which reflect sequestration of $3.5 million under P.L. 99-177.

Within the $80.7 million total, the Office of the Secretary, which provides executive direction and management for the Department, is funded at $43.6

million; the Office of the Solicitor, which provides legal services for all components of the Department, at $20.8 million; and the Office of the Inspector General at $16.3 million.

Conclusion

In conclusion, Mr. Chairman, I believe this is a good budget which should be approved by the Congress. This budget fairly meets our responsibilities and does not ignore our pressing needs. It helps put the overall Federal budget on a course of steadily declining deficits leading to a balanced budget.

I will be happy to answer any questions that you have at this time.

Mr. **Yates**. All right. You didn't want to comment at all on the Statue of Liberty and Ellis Island. I think perhaps I should lead you into it. Mr. Regula.

Mr. **Regula**. Before you get to Ellis Island, might I ask a couple of questions?

Mr. **Yates**. Well, of course, you may.

Mr. **Regula**. I am glad to see you, Mr. Secretary.

Mr. **Yates**. Overall, it is nice to see him.

NPS LAND ACQUISITION PRIORITIES AND RESCISSIONS

Mr. **Regula**. On the proposed rescissions, Mr. Secretary, I would like to know how they were selected. I notice, for example, that neither Big Cypress nor New River Gorge land acquisition monies were proposed for rescission, and yet Cuyahoga Valley National Recreation Area is proposed, Santa Monica is proposed. I would like to know how you arrived at which projects would be proposed and how you arrived at the amounts?

Secretary **Hodel**. My understanding is that the process that was used by the Park Service involved attempting to provide priorities on land acquisition activities and presumably applying its judgment on those priorities in making those proposals.

Now as to what the rationale was for setting the priorities, I would have to defer to the Park Service. I would be happy to ask if the budget people have some suggestions.

Mr. **Regula**. Well, it seems to me that the high priority has to be areas where you have urban encroachment, because they get more expensive rapidly, and I don't know that Big Cypress or New River Gorge are threatened by any urban development, whereas Cuyahoga and Santa Monica are, and, therefore, I don't understand the rationale in that priority choice.

Secretary **Hodel**. I have with me Denis Galvin, the Deputy Director of the Park Service. I would be happy to have him respond.

Mr. **Galvin**. There are actually two factors that went into putting the land acquisition rescission together. One was the priority list that the Secretary has referred to, which is based on a multiple set of criteria.

The second was based on unobligated balances available at the time the rescission was proposed. In some instances, to my recollection, for an example, the Appalachian Trail, we had obligated a significant amount of the 1986 appropriation at the time the rescission was proposed. So in addition to the criteria in the land acquisition list that the Secretary has referred to, we also had the problem of having available balances in certain areas to make up the amount of money that was required for the rescission.

Mr. **Regula**. Could you provide for the record your priorities on these so that we have them?

Mr. **Galvin**. Yes.

[The information follows:]

National Park Service Federal Land Acquisition Proposed Fiscal Year 1987 Priority Listing

Priority and park:	*Amount*
1. Acquisition Management	$7,200,000
2. Deficiencies and Relocation	6,000,000

3. Emergency and Hardship (Recently Authorized)	2,000,000
4. Inholding Areas	4,000,000
5. Appalachian NS Trail	4,000,000
6. San Antonio Missions NHP	75,000
7. Chattahoochee River NRA	2,000,000
8. Salinas NM	427,000
9. Delaware Water Gap NRA	2,000,000
10. Big Thicket NPres	451,000
11. War in the Pacific NHP	1,000,000
12. North Cascades NP	500,000
13. New River Gorge NR	1,000,000
14. Manassas NBP	1,000,000
15. Big Cypress N Pres	2,000,000
16. Santa Monica Mountains NRA	1,745,000
17. Grant-Kohrs Ranch NHS	350,000
18. San Antonio Missions NHP	425,000
19. Golden Gate NRA	1,500,000
20. Big Thicket N Pres	1,548,000
21. Antietam NB	500,314
22. Sequoia NP (Mineral King)	2,504,000
23. Alaskan Areas	1,000,000
24. St Croix NSR	500,000
25. Cuyahoga Valley NRA	2,000,000
26. Sleeping Bear Dunes NL	2,025,000
27. Ebey's Landing NH Reserve	79,000
28. Appomattox Court House NHP	53,000
29. Santa Monica Mountains NRA	2,076,000
30. Appalachian NS Trail	3,700,000
31. Cumberland Island NS	1,100,000
32. Lake Chelan NRA	1,000,000
33. Golden Gate NRA	1,600,000
34. Big Thicket NPres	1,960,000
35. Gulf Islands NS	500,000
36. Mound City Group NM	1,000,000
37. Cuyahoga Valley NRA	2,500,000
38. Saratoga NHP	204,000
39. Sleeping Bear Dunes NL	1,443,000
40. Santa Monica Mountains NRA	5,421,000
Total	70,387,314

Mr. REGULA. Of course, we will have to address them, because ultimately it is a policy issue for this committee and Congress, but I have some quarrel with how you arrived at rescissions and determinations on the amounts.

I think the Chairman has asked you about the grazing fees. I am supportive of the idea of increasing fees for the park entrances, provided those monies go back into maintenance and development in the area, plus, of course, the urban parks, such as Cuyahoga, where you don't have the ability to get fees.

MAINTAINING PARK FACILITIES

I might ask you, in conjunction with that, we had the PRIP program which did a lot to rehabilitate our facilities in the parks, and the pressures from visitation continue to grow. What do you have in your proposed budget by way of addressing the need to continue developing the facilities or at least maintaining them, both sewage, water, roads, housing and that type of thing?

Secretary HODEL. There is some construction money still in the budget because the PRIP program has run its course. In addition, assuming that we obtain the fee proposal, we will have the increased funding that would come through that for the operation and maintenance activities. That, then, becomes a priority setting problem for each superintendent because my understanding is that Director Mott is planning to return a portion of the money directly to the individual unit, not all, because not all parks are equally needy.

Mr. REGULA. I understand.

Secretary HODEL. The superintendent then, with the money that comes back, could make judgments as to where the priorities are on maintenance and other activities within the park that need to be carried out. Even in this tight budget time, we will be protecting the parks.

COMMISSION ON AMERIANS OUTDOORS

Now the other thing we have, as you know, is the Commission on Americans Outdoors, which is holding a series of meetings and hearings, and is expected to be reporting back to us by the end of this year. Hopefully that will do for us the kind of thing the Rockefeller Commission did 20 some years ago and give us a picture of what Americans are doing and demanding outdoors.

OVERCROWDING PROBLEM IN PARKS

My sense, from my visits to the parks last summer, was that our crowding problem is in tiny pockets, that we have other potential high-use areas already there that just aren't receiving the same kind of attention, partly because people don't know about them.

Last summer, in fact, several of the parks I visited were down in visitation and were not getting an increase. Now that may have been for all kinds of reasons, but one of them may have been this perception that they are overcrowded.

We are talking now about working through the National Park Foundation to try to get a reservation system for the recreational campground areas, because you hesitate to drive 500 miles or 1,000 miles to a national park and arrive there to see a sign that says "Campgrounds full", and mostly that is what I saw last summer. Campgrounds were full, and yet other visitor facilities in the vicinity weren't, and certainly not every night during the season.

We are hopeful that we can spread out the usage by a better information process. It wouldn't increase our costs significantly. Basically, we staff the park for the hundred days that it is open, and we know the peak periods will be certain weeks or weekends, but we also have to have people on the payroll through that whole time. We think if we could increase the usage in June and July, that it wouldn't increase our costs having people there only in August or heavily in August. It is a combination of these things.

BLM GRAZING FEES

Mr. REGULA. I hope you have the same enthusiasm for increasing grazing fees, and we will put that back in too.

Secretary HODEL. May I say, when it appeared that Congress was working out a compromise involving a number of different issues relating to grazing rights, and so forth, that without any hesitation we were prepared to support the increased grazing fees there which would have come from the act.

Mr. **Yates**. Does that mean you are prepared to support increases in grazing fees now for BLM?

Secretary **Hodel**. It is not in the cards at this moment, because we have the executive order which carries forward the existing formula. We are under a formula. We put a floor under that formula, which was to freeze the current level. If the formula dictates a higher rate, of course, then the rates will go up also.

Mr. **Yates**. Does your answer mean that the Secretary of the Interior has no recommendation with respect to increasing grazing fees?

Mr. **Regula**. Will the chairman yield?

Mr. **Yates**. No. That is the purpose of my question, as to whether or not he recommended the increase, and then the President or OMB squashed him, right?

Secretary **Hodel**. No, I don't recall if they had recommended an increase in grazing fees.

Mr. **Yates**. What is your feeling? Can I ask you directly?

Secretary **Hodel**. I have not supported an increase in grazing fees.

Mr. **Yates**. You have not?

Secretary **Hodel**. Because at this point what we have before us is a record in which we have identified six options. We have not chosen among them. We felt that to do so at a time when it appeared Congress was getting very close to a complex compromise on this issue involving much more than just grazing fees, that for us to weigh in on the single question of grazing fees was counterproductive.

Mr. **Yates**. Does that mean you will change the existing schedule of fees for your Fish and Wildlife refuges?

Secretary **Hodel**. No, we are not proposing any change there that I am aware of.

Mr. **Yates**. You get more out of fees there than you do in BLM.

Secretary **Hodel**. First of all, those are productive and valuable lands. The Fish and Wildlife lands are the wetlands that have——

Mr. **Yates**. All the committee wants to do is to recognize there are valuable lands in BLM as well that deserve higher fees. Do you propose not to do that?

Secretary **Hodel**. I have no present plan to recommend increased fees for grazing.

Mr. **Regula**. Will the chairman yield?

Mr. **Yates**. Mr. Regula.

Mr. **Regula**. Have you done any cost analysis to determine what you spend in providing water, fencing, fertilizing management, as opposed to what you receive in grazing fees?

Secretary **Hodel**. And that is partly what has been behind much of the pressure, is that the costs of managing the grazing program just about doubled the receipts of the grazing program.

Mr. **Regula**. Like the lands I know would break even.

Secretary **Hodel**. Part of the fact on that is that we have increased the amount of red tape, governmental detailed hands-on, day-to-day management of this. So it is kind of a boot-strap argument. We have increased our costs enormously by getting in there and managing and doing more and more, and then we turn around and say, "Golly, you guys aren't paying enough."

One of the things we tried to do, and were prevented from doing so by a court decision here recently, was where we had good land managers, as contractors, grazers, we proposed to give them more flexibility in the management and measure the results, that the rivers—streams were kept clean and the land was properly used and not over-grazed, and the like.

We were struck down; we were told we were mandated to do this hands-on detailed management. We have driven our own costs up in part. If we were a private land owner, we would not be doing what we are doing out there as a government. So it is kind of a two-edged sword.

May I say that this cuts all through the Department of the Interior. We don't collect fees sufficient to pay for the national parks, and we are not proposing them.

Mr. **Regula**. You are addressing it in the parks, but not on grazing.

Secretary **Hodel**. It is a 14-to-one ratio there for the parks—we are paying one part of the cost from fees, which clearly are so low that people, as you know, make voluntary contributions to the parks in substantial amounts.

Mr. **Yates**. They don't for grazing, though, do they?

Secretary **Hodel**. I have seen no voluntary contributions for grazing, Mr. Chairman. In fact, I have seen some numbers which would simply indicate the plight of the livestock industry today. If you raised the fee—even to the $1.35 floor which the administration put in the executive order, it disadvantages some of those who are still trying to graze and maintain their existence in hope of a future price raise.

Mr. **Yates**. You are supposed to file a final report, aren't you, on grazing fees under the law?

Secretary **Hodel**. Yes.

Mr. **Yates**. When are you going to do that?

Secretary **Hodel**. This spring is my understanding. That is working through the system.

We also have, I think, an annual report which we file, and that will be filed.

Mr. **Yates**. Will it have recommendations?

Secretary **Hodel**. I don't know yet. I think it is supposed to have a recommendation. I don't know how we are going to reach a recommendation in the current circumstances.

STATUE OF LIBERTY AND ELLIS ISLAND

Mr. **Yates**. All right. Let's turn to the Statue of Liberty and Ellis Island, which is of great concern to this committee, as it is to all Americans. The symbol of the Statue of Liberty invokes the memory of the position—the place of Ellis Island in the history of this country and has tremendous importance. The situation we have now is kind of like a volcano that has been peaceful for decades, and all of a sudden the top blows off, like Mount St. Helens did.

I reviewed the hearings of this committee since 1979 or 1980, when in 1979 I think the subject was brought up, it was about the condition of the Statue, and, of course, we knew the condition of Ellis Island had fallen in a state of tremendous disrepair. And the Park Service told us along about that time that they were going to try to raise the money from outside sources. I think that was about 1980 or 1981, and that began.

As I reviewed our hearings since that time, we were concerned with the question as to whether or not we would have to put appropriations into our bill each year for the reconstruction of the Statue; certainly, we put money in for the reconstruction of the sea wall at Ellis Island, and that was done.

We took for granted that the Park Service, the Department of the Interior, the Commission and the Foundation that had been organized for the rehabilitation were getting along very well, and all of a sudden came the headlines, was it last week or two weeks ago now? I am sure you remember the date.

Secretary Hodel. Sometime in the last two weeks, within the last week. Yes, I think it was last Thursday.

Mr. Yates. Right. Why did it happen? Why did it have to happen? I saw you on television, and you said there was a conflict of interest. Do I misquote you, or do I quote you correctly?

Secretary Hodel. May I respond?

Mr. Yates. Sure. Don't let me put words into your mouth on this one.

Secretary Hodel. First let me say from an overview standpoint that having been through now two monument activities and looked at a little bit of the history of this agency, monuments are not without their controversy because they are important to people, and they are symbolic.

As we all know, there is a line about 25 percent of the way up the Washington monument because it got stymied, and there was an argument over how to finish that. And I was involved in what is now the most popular monument in Washington, D.C., in the construction and approval of the Vietnam Memorial, which was extremely controversial, as you may recall.

The Statue of Liberty-Ellis Island has been a remarkably successful effort. The Statue is wrapped around the heart strings of America, and the good news, Mr. Chairman, is as the smoke clears from last week, Mr. Iacocca has agreed to continue as Chairman of the Foundation, which has all the money and has raised the money. He will, therefore, be visible and active in the collection of the remaining $35 million or so necessary, he will have a large say as Chairman of the Foundation in what the Foundation agrees to write checks for, and he will be the visible party from the private sector at the celebrations on July 4th.

Through this whole thing last week, there was an undercurrent of implication that I was somehow trying to keep him from playing that role. I was not and never did suggest that.

Mr. Yates. No, no, I didn't get that impression at all. The impression I got was that there had been some kind of a confrontation between you and Lee Iacocca, the nature of which never did come out, but what came out was your explanation as to why he left, because he said he certainly didn't want to leave as a member of the Commission.

Secretary Hodel. He made that plain, didn't he?

Mr. Yates. He made that very plain.

Secretary Hodel. He made that plain to me on various occasions prior to that.

Mr. Yates. You had asked him to leave?

Secretary Hodel. I felt it was important—let me describe what happened.

Mr. Yates. Good.

STATUE OF LIBERTY-ELLIS ISLAND CENTENNIAL COMMISSION CHARTER

Secretary Hodel. The Commission was appointed under his chairmanship to oversee and advise the Secretary and the Park Service on the activities, not only of fundraising, but of the celebration and of the restoration of the Statue of Liberty and of Ellis Island. The Commission had a charter, and I signed it as Acting Secretary.

Mr. Yates. The charter may go into the record at this point. We have a copy of it here, with your signature on it.

[The charter follows:]

CHARTER

STATUE OF LIBERTY-ELLIS ISLAND CENTENNIAL COMMISSION

1. The official designation of the committee is the Statue of Liberty-Ellis Island Centennial Commission.

2. The purpose of the Commission shall be to serve as the primary citizen advisory body to the Secretary and the National Park Service on all matters pertaining to the preservation of Ellis Island and the Statue of Liberty, as well as the centennial celebrations of each. It is anticipated that the Commission will advise the Secretary, without limitation, on the means and schedules of preservation, the projected uses of the facilities, the needs and uses of donated funds, property and services, the programs and activities associated with centennial celebrations and the on-going programs and activities associated with both the Statue of Liberty and Ellis Island. In order to provide a consolidated vehicle for such advice, other groups and individuals will be encouraged to work with and provide their ideas and advice to the Secretary and the National Park Service through the Commission.

To effectuate these purposes, the Commission may form itself into committees, subcommittees, and ad hoc committees, as may be necessary. Membership on all committees shall be determined by the chairman.

Meetings of all committees, as well as meetings of the Commission shall be subject to the provisions of the Federal Advisory Committee Act as are appropriate under the circumstances.

3. The life of the Commission is expected to extend through 1992, the centennial of the beginning of Ellis Island's service as an immigration station. In view of the goals and purpose of the Commission, the period of its life will be reviewed prior to December 31, 1992, to determine whether or not legislative or further administrative extension is appropriate. The Commission will be reviewed biennially and will terminate at that time unless renewed in accordance with Section 14 of the Federal Advisory Committee Act, P.L. 92-463.

4. The Commission will report to the Secretary of the Department of the Interior.

5. The National Park Service will provide necessary support for the Commission.

6. The Commission duties are solely advisory and are as stated in paragraph 2.

7. The estimated annual operating cost of the Commission is $60,000.00 which includes approximately two staff years of administrative support.

8. The Commission will meet at least quarterly.

9. The Commission will terminate April 9, 1984, unless prior to that date legislation has been enacted extending the life of the Commission, or administrative action is taken by the Secretary of the Interior pursuant to 16 U.S.C. 1a-2(c) and Section 14 of the Federal Advisory Committee Act to extend the life of the Commission.

10. The Secretary of the Interior will appoint the members of the Commission in the following manner:

> 1) one member from each of the states of New Jersey and New York and the cities of New York and Jersey City, to be selected from lists of nominees recommended by the governors of the states of New Jersey and New York and the mayors of the cities of New York and Jersey City;
>
> 2) one member from each of those organizations which enters into a memorandum of understanding or other agreement with the Director of the National Park Service concerning furtherance of the purposes enumerated in paragraph 2 of this Charter;
>
> 3) 14 members representing the broad range of interests inherent in the functions of the Commission as enumerated in paragraph 2 of this Charter;
>
> 4) the Director of the National Park Service shall be a member of the Commission, ex officio, and may appoint an alternate to serve in his place and stead.

Members of the Commission will serve terms of two years, at the pleasure of the Secretary of the Interior. The Chairperson of the Commission will be named by the Secretary of the Interior from among the third category of members. Vacancies occurring during a term by reason of removal, resignation, or death shall be filled for the remaining balance of the term.

11. The statutory authority for the creation of the Commission is 16 U.S.C. 1a-2(c), as the Commission will provide significant assistance to the National Park Service in preparing for and in celebrating the centennials of the Statue of Liberty and Ellis Island. The Commission is necessary in furtherance of

duties imposed on the Department of the Interior by 16 U.S.C. 431, et seq. and Presidential Proclamation # 1713 (43 Stat. 1968) thereunder.

12. Commission members will receive no compensation for their services on the Commission, but may be allowed necessary travel expenses as authorized by 5 U.S.C. 5703.

Donald Paul Hodel

Acting Secretary of the Interior

Date Signed: 9/21/82

Date Charter Filed: SEP 30 1982

CROSS-OVER MEMBERSHIP—COMMISSION AND FOUNDATION

Secretary **Hodel**. These do come back to haunt us.

Let me describe it this way. You have the Foundation, which became increasingly the dominant force in this process, which is not unexpected and not unusual because it was raising the money. It was the visible symbol of the Statue of Liberty's activities.

The Commission only met three times in three years, and the fourth time in November of last year. It did not on any occasion have an opportunity to give the Secretary or the Park Service any advice. Now that is not to be unexpected when you stop and think about it. Here you have a foundation raising the money and in daily conversation at the staff level with the Park Service as to how to restore the Statue of Liberty, and coming down the road toward us still is how do you restore Ellis Island, the south half of Ellis Island?

As you know, although there was some complaint that the fundraising effort commercialized the Statute of Liberty. They have done an excellent job, truly they have done an excellent job. The statue is a great client, but they have done an excellent job and raised a remarkable amount of money from a voluntary effort.

What I became concerned about last fall, which I didn't really focus on because, as you say, the magma may have been down there, but the volcano hadn't erupted, I didn't pay sufficient attention to it perhaps, but I didn't have any occasion to pursue it at that time, and I reappointed Mr. Iacocca as Chairman of the Commission of 50 people to take a look, independently at what is going on and tell me "What do you think?"

Two weeks ago, or just over that, we became aware of a telegram, on January 29th or 30th, from Mr. Iacocca's general counsel on the Foundation; he sent a telegram to two people who served both on the Board of the Foundation and Board of the Commission and said "The chairman," that is Iacocca, "doesn't want any crossover membership."

And I looked at that, and it hit me clearly at that moment, because I had been troubled about not getting anything from the Commission, but, you know, it is one of those thoughts, it is in the back of your mind, you have enough things to worry about, you don't sit back and say "What is it that is bothering me?" It hit me, of course, if you have cross-over membership and the chairman sees that as a problem, he is right, but it is especially true if the chairman is the same person, because as it turns out, what has been happening is that the staff of the Foundation has put together the agenda for the Commission to use, they decide what materials go to the Commission, and the material that is going to be reviewed; therefore, 'this independent Commission isn't independent at all.

So I took direct action, and my conclusion was we needed Mr. Iacocca to continue where he was, we needed him to be visible, and we needed him to run the celebration on July 4th, and I wired him I was accepting his resignation as Chairman of the Commission, to which he responded "I have not resigned and don't intend to."

We went through the various points that have been made public since. I urged him not to make this a public issue because I felt it might damage the public confidence in the process. I felt it was important that we continue with him in that role. I wanted an independent commission to review it, and it didn't have to be a public controversy. But he ultimately decided that he was going to make it a public issue, and advised the White House that unless they turned me around on this decision of mine, because I had not consulted the White House, I knew if I consulted the White House before I made the decision, it would ever-afterwards be characterized as a White House decision. It was not, and appropriately so. They may have well have said "Don't involve us in that kind of controversy, so don't do it."

I thought this was important, I thought it was right, so I made the decision on my own, and Mr. Iacocca saw fit to make it public. Having done so, it appears now that he has reconciled to the circumstances, he has already had a very cordial conversation with the new Chairman of the Commission. They mutually pledged to work together to make this whole process work successfully. I am optimistic about it.

I am aware, this should have been done earlier. I don't think any of us had focused on the impact of having the same person as Chairman. Put yourself in the position of a chairman of a foundation, and you work through with the foundation board what you want to do, and then are you really supposed to turn around and go over here and start fresh with a 50-person commission and say, "By the way, what do you think of this?"

I think that some of the concerns about commercialization in the collection of funds for the Statue of Liberty might have properly been dealt with if we had an independent commission earlier, and I think we will have a better restoration of Ellis Island.

Mr. YATES. It sounds like a very good explanation offhand, but I don't find it totally convincing because the Commission and the Foundation have worked together for four years and worked very well together.

Secretary HODEL. Inevitably. Because they——

Mr. YATES. Why the rupture at this time, then? The fact that Mr. Iacocca deems it necessary to get rid of two people from the Commission——

Secretary HODEL. Or the Foundation.

Mr. YATES. Or the Foundation, whichever they wanted to do, whichever place they wanted to surrender, doesn't necessarily mean that Mr. Iacocca has to give it up, unless I misinterpret what the charter says. The charter, as I understand it, permits this cross-appointment.

Secretary HODEL. The charter permits a representative of the Foundation to serve on the Commission.

Mr. YATES. Right. It says one member of each of these organizations which enters into a memorandum of understanding or other agreement, that is the Foundation, with the Director of NPS, concerning purposes enumerated in paragraph two of this charter, which is raising funds for it, is to be appointed by the Secretary of the Interior to the Commission.

So why can't that be Mr. Iacocca?

Secretary HODEL. I guess the question is, why should it not be? And the answer is——

Mr. **Yates**. He is a member of the Commission. It doesn't say it has to be or does not have to be the chairman.

Secretary **Hodel**. That is right. And in my judgment, Mr. Chairman, the effect of having the Chairman of the Foundation be the Chairman of the Commission is that you do not have an independent Commission.

Mr. **Yates**. Isn't Mr. Iacocca the kind of guy who can handle two chairmanships?

Secretary **Hodel**. Very effectively.

Mr. **Yates**. Three or four, as a matter of fact?

Secretary **Hodel**. Very effectively, but not if what you are asking for is an independent review by the Commission.

Mr. **Yates**. What are we reviewing by the Commission? The Commission is not reviewing the actions of the Foundation, is it really? What is the Commission doing here?

This is the charter for the Commission. What the Commission is doing is making up its mind as to how Ellis Island shall be rebuilt, right?

Secretary **Hodel**. Could I read the purpose?

Mr. **Yates**. Of course, that is right. The document speaks for itself.

Secretary **Hodel**. And I think reading its purpose will show why if its chairman is the same person as the chairman of the group who has raised and pooled money, it cannot fulfill its purpose.

"The purpose of the Commission shall be to serve as the primary citizen advisory body to the Secretary and the National Park Service on all matters pertaining to the preservation of Ellis Island and the Statue of Liberty, as well as the centennial celebrations of each. It is anticipated that the Commission will advise the Secretary, without limitation, on the means and schedules of preservation, the projected uses of the facilities, the needs and uses of donated funds"—interestingly—"the property and"—donated funds, property and services, the programs and activities associated with centennial celebrations and the on-going programs and activities associated with both the Statue of Liberty and Ellis Island."

It is both of them, a comprehensive direction.

Mr. **Yates**. Comprehensive direction to the Commission to advise the Secretary. It has nothing to do really with the fundraising function itself, to advise the Secretary on how he should distribute the money that the Foundation raises.

Secretary **Hodel**. On the means and uses of donating funds, property and services, right.

Mr. **Yates**. It is entirely separate from the Foundation in advising the Secretary.

Secretary **Hodel**. Ought to be. Ought to be. But is not, Mr. Chairman, if the chairman, the man who sets the agenda determines whether it will ever meet and, in fact, didn't call a lot of meetings or distribute the material to the board in advance of the meetings.

The one policy I am informed that was ever raised before the Commission was what to do with the south end of Ellis Island. There was no adequate material supplied in advance, and one of the members of the Commission said "We can't make a decision of this magnitude without some studies being made available to us ahead of time."

The point is well taken. Therefore, what I am suggesting is that with an independent commission, chaired by someone who will certainly deal with the Foundation and the Park Service but is not running the Foundation, we have an opportunity to hear from these people as to the competing views on significant alternatives as to what to do on Ellis Island, and they will not be without controversy. But we would not get an independent review—it simply is not feasible to meet this charter with the arrangement that we had previously in place.

Mr. **Yates**. The charter does not agree with you, as I see it. The charter does not want complete and separate independence, because the charter specifically says that one of the members of the Commission shall also be a member of the Foundation. Obviously the charter wants some interplay, it wants the Commission to have a representative on the Foundation.

Now, had the charter wanted that representative not to be the chairman, it would have said so. It would have said "other than the chairman".

Secretary **Hodel**. But, Mr. Chairman, I think it is important to recognize what that provision says in the charter. It says "The Secretary of the Interior will appoint the members of the Commission in the following manner, from the states" and then one member from each of those organizations which enters into a memorandum of understanding or other agreement with the director—the Foundation is one of those; we have no others. So clearly a member of the Foundation can, or representative of the Foundation can, be on the Commission.

Mr. **Yates**. You have cross-fertilization.

Secretary **Hodel**. But to make that the chairman—history now shows—to make that the chairman eviscerates the Commission.

Mr. **Yates**. Why? That is the part where you leave me.

Secretary **Hodel**. Let me try it again.

Mr. **Yates**. I know. I recognize the power and the force of the personality of Mr. Iacocca. Suppose the chairman had not been an Iacocca but had been somewhat of a nature of—well, more of a milquetoast.

Secretary **Hodel**. A lower-key individual?

TELEGRAMS ON MR. IACOCCA'S REMOVAL

Mr. **Yates**. Yes, an able person, but not one who has the vigor and macho and appearance of Mr. Iacocca. You know, he is kind of on a pedestal, and you kind of tumbled him off that pedestal. As a matter of fact, I am getting telegrams now. These are the kinds of telegrams addressed to me:

"Your decision is un-American"—telling me my decision is un-American—"We have no high regard for you. The dream of helping the Statue of Liberty has been so successful because of Iacocca," signed by Mary Powell Warner, Gloucester, Virginia. I don't know who she is, but she apparently thinks I dethroned Mr. Iacocca.

We have one from John Raser of San Mateo, California addressed to me: "We are appalled you relieved Mr. Iacocca from his leadership position in restoring the Statue of Liberty. Your arbitrary, heavy-handed and capricious behavior is highly unprofessional. We demand your immediate resignation."

Secretary HODEL. Mr. Chairman, I wouldn't do that. Obviously there is a misunderstanding. And I think a fair amount of that has been brought about by the manner in which this was presented publicly that suggested Mr. Iacocca had somehow been removed from his entire role, which is totally not correct. He will continue to be the visible party. I think some people will be telegramming you in due course saying "How come you have reneged on your removal of Mr. Iacocca, he is still on television and he is now, I learned, planning the centennial celebration," because I think there has been a great misunderstanding which has been generated here by the public discussion.

The fact remains you do not have a Commission able to give the Department separate advice if the Chairman of that Commission is a strong-willed individual who has his mind maybe made up.

Mr. YATES. He has been doing it for three years.

Secretary HODEL. And, Mr. Chairman, one of the major issues still before us is how do you restore Ellis Island?

Mr. YATES. Then what you are saying is then you cannot continue to try to restore Ellis Island as long as you have Mr. Iacocca to contend with?

Secretary HODEL. I didn't say that.

Mr. YATES. In effect, you are saying that. History begins again.

Secretary HODEL. Mr. Chairman, I haven't, I hope, attempted to suggest we cannot go forward with this restoration with Mr. Iacocca in both positions. If we are going to have an independent commission able to look at the proposals and advise us regarding them independently, we couldn't have him in both positions.

Mr. YATES. Couldn't have him. You could have a member of your Commission in both positions, but you couldn't have Mr. Iacocca in that position?

Secretary HODEL. We couldn't have the chairman, we couldn't have the chairman serving both capacities, absolutely.

Mr. YATES. Even though the Chairman wasn't barred by the terms of your charter?

Secretary HODEL. Clearly not contemplated.

Mr. YATES. It doesn't say "clearly not contemplated." If it were clearly not contemplated, it would have had parentheses "other than the chairman".

Secretary HODEL. There is another organization out there demanding a seat on the Commission. It doesn't have a memorandum of understanding, but it claims it should be included. If you read this in the context of having two foundations, if there were two groups collecting money, both authorized, then I would appoint a member from each of those groups to the Commission. Not both of them could serve as chairman. They are not precluded from serving as chairman.

Mr. YATES. Let's look at the background of your statement for a moment. You are in sharp—by you, I mean NPS also, because you are NPS, are you not, in this instance?

Secretary HODEL. In this instance.

Mr. **Yates**. NPS and you are in sharp confrontation with Mr. Iacocca as to how the southern half of Ellis Island should be developed. Is that not correct?

Secretary **Hodel**. I am not sure even that is so. I am not.

SOUTH ELLIS ISLAND—CONFERENCE CENTER

Mr. **Yates**. Let me give you additional background, and you tell me whether it is correct. I have been through Mr. Vento's hearing on this subject in the legislative committee of the House last June, and I have been reading the newspapers, I have been reading your press releases, I have been reading as much as I can on this subject.

And from what I gather, NPS wants to build a convention center and hotel on the southern tip of Ellis Island. Right so far?

Secretary **Hodel**. I think, to characterize that correctly, I should ask Mr. Galvin.

Mr. **Yates**. Is that correct, Mr. Galvin?

Mr. **Galvin**. We want to put a conference center with overnight accommodations in the existing historic buildings.

Mr. **Yates**. How many rooms are you going to have? Enough to make it a hotel?

Mr. **Galvin**. Two-hundred-thirty.

Mr. **Yates**. That is a small hotel by the wishing well. It is your wishing well on the southern tip, right?

Mr. **Galvin**. And the old hospital rooms, that is right.

Mr. **Regula**. Mr. Chairman, can this be done unilaterally by the Department without a policy decision of this body?

Mr. **Yates**. Well, where is the Congress in all of this? Because in all of these discussions, in all of the things I have read, the Congress isn't even consulted on what to do with Ellis Island. Isn't that correct? You never consulted us. According to our transcripts and our hearings, I don't remember you telling us you were going to build your conference center and hotel.

Secretary **Hodel**. The Park Service has received a proposal, and they have floated that proposal for comment. They have indicated they think it is a reasonable approach. I have tried not to review that or the others because I think the Commission ought to take a look at what it thinks is appropriate. That is a very public process, and I would expect if the Congress has an interest at that stage, it is certainly able to participate.

Mr. **Yates**. Mr. Secretary, this is not a new suggestion by the Park Service. They have been kicking this around since 1981 or 1982. Correct, Mr. Galvin?

Mr. **Galvin**. That is correct. A proposal to have adaptive use on Ellis Island.

Mr. **Yates**. On the other side, Mr. Iacocca has an architect, Mr. Burgee, who says "No, you should not have a conference center and a hotel on the southern tip. Rather, we should be destroying some of the historical buildings on the southern tip, and we should be rehabilitating the area as it was."

Now, I don't know how he reconciles that with——

Secretary **Hodel**. I don't either.

Mr. Yates [continuing]. With historic preservation. Historic preservation, which incidentally I think is putting it in the condition it was when the immigrants came over, just like you have the historic preservation of a building——

Secretary Hodel. Have you been to Ellis Island?

Mr. Yates. I was there in 1979, and I have not been back since. The state of the buildings was deplorable, most of them had fallen into almost utter ruin. The Great Hall was kind of collapsing, and other buildings were like that too.

Secretary Hodel. The Great Hall is well back on the road to restoration.

Mr. Yates. We thank Mr. Iacocca and the fundraisers primarily for that, because they have restored the Great Hall to what it was before; and what was it, the Luggage Hall, too, has been restored in addition to that?

Secretary Hodel. Yes.

Mr. Yates. So the nothern part of the island is fine, and the Statue of Liberty, after surviving through all the commercialization, having its torch taken across the country to the Olympics, I think, that was part of its history, the Statue of Liberty is now almost back to the regal splendor it once enjoyed. You are going to have a ceremony, I think, on July 4th of this year marking the completion of the Statue, isn't that correct?

Secretary Hodel. Yes. A three-day celebration.

Mr. Yates. So the Statue will have come true.

Secretary Hodel. With funds raised by the Foundation.

Mr. Yates. The Statue will have come true. The northern part of Ellis Island will have come true, and now we have this controversy as to what should happen on the southern part of Ellis Island.

Secretary Hodel. I don't think it is that big a controversy at this stage, Mr. Chairman. I think you have, at this stage, ideas that are being floated for discussion and debate, and I don't think we ought to be characterizing it as a confrontation, at least at this stage. That is precisely why I think a forum of 50 people who care about Ellis Island can at least take a crack at trying to resolve the differences.

Mr. Yates. Let me tell you why I called it a controversy. I will recite to you Mr. Chapin's testimony to the Vento Commission.

Secretary Hodel. Mr. Chapin being?

Mr. Yates. He worked for you.

Secretary Hodel. A former employee of the Department of the Interior?

Mr. Yates. He is the one who worked for you.

Secretary Hodel. But he is a former employee very unhappy with Mr. Iacocca.

Mr. Yates. He surely is, but he was unhappy with Mr. Iacocca during the years he worked with you.

Secretary Hodel. Yes. And he is unhappy with me because I didn't deal with Mr. Iacocca.

Mr. Yates. You subsequently dealt with him.

Secretary Hodel. I haven't heard from Mr. Chapin since.

Mr. Yates. He hasn't sent you a letter of congratulations?

Secretary Hodel. He may have.

Mr. Yates. At any rate, the hearings——

Secretary Hodel. Mr. Chapin, there is no question, was extremely agitated, made extreme accusations about——

Mr. Yates. All during the last few years?

Secretary Hodel [continuing]. The management——

Mr. Yates. Mr. Iacocca reacted to Mr. Chapin. You probably are aware of that, because he is not one to curb his language according to the Vento hearings. He had things to say about the Park Service and its insistence upon the convention center and the hotel. Is it correct to say that Mr. Iacocca is deadly opposed to that? That is correct, isn't it?

Secretary Hodel. I don't know.

Mr. Yates. Mr. Galvin, is it correct to say that?

Secretary Hodel. Deadly opposed?

Mr. Galvin. The subcommittee——

Mr. Yates. Very strongly opposed to it.

Mr. Galvin. We didn't know that until last week's press conference.

Secretary Hodel. In all of my meetings with Mr. Iacocca, this wasn't raised as an issue. It wasn't on my agenda or his. His first conclusion was that I was doing this for political reasons, and that is why he assured me he was both a Republican and not intending to be a candidate for President. I assured him that was not my——

Mr. Yates. And politics didn't enter into your decision?

Secretary Hodel. It did not enter into my decision in this case, Mr. Chairman. If it had been politics, if it were just politics, why would I do it? Because it creates the opportunity for this kind of confrontation. If it were my concern about his visibility, then why would I be willing to leave him as Chairman of the Foundation if I could possibly terminate that?

None of the accusations of ulterior motives will hold up to any kind of exploration. The fact is I did what I thought was right if the Commission were to have any chance of functioning in accordance with its charter. There is something we have not focused on, but the fact is that the Commission ought to be able to hear at least four and maybe more proposals on what to do on the south end of Ellis Island and not be bludgeoned by the Park Service or overwhelmed by Mr. Iacocca. He will be able to make recommendations, so there are lots of nexus points, but setting the agenda, determining if there will be a meeting and what kind of material will go out before the meeting is not calculated to give anybody on that Commission an open shot.

Mr. Yates. Okay. Question: Can you decide to build a conference center and a hotel on the southern part of the Island if you think it is wise?

Secretary Hodel. Without coming to Congress, is that——

Mr. Yates. Can you overrule the Commission and decide to do it?

Secretary Hodel. Oh, yes. The Park Service and the Secretary have ultimately the decision as to what they are willing to agree to. The Foundation, if it is putting money in, has control over what it will agree to.

Mr. Yates. That is my next question. Suppose you decide to build a conference center and hotel, you agree with the Park Service——

Secretary Hodel. Recommend to build that, yes.

Mr. **Yates**. No—all right, recommend to the Congress. Well, that is another question. Who is going to pay for it?

Secretary **Hodel**. Nobody knows.

Mr. **Yates**. Can you require Mr. Iacocca's Foundation to pay for it?

Secretary **Hodel**. No, sir, we cannot.

Mr. **Yates**. You cannot?

Secretary **Hodel**. No.

Mr. **Yates**. What happens to that money then?

Secretary **Hodel**. Well, first of all, the bulk of the money is going to go into, if I am not mistaken, the restoration of the north end of the Island, is that not correct?

Mr. **Galvin**. The conference center proposal is an independent proposal. The Foundation does not now propose to raise money to develop the south end of Ellis Island.

Mr. **Yates**. I know that.

Mr. **Galvin**. They don't propose to raise money to do anything on the south end of Ellis Island. The Finance Subcommittee of the Commission has rejected Mr. Burgee's financing proposal for the south end of Ellis Island.

Mr. **Yates**. They have rejected Burgee's proposal and your proposal?

Mr. **Galvin**. No, sir, the subcommittee of the Commission has endorsed the conference center proposal.

Mr. **Yates**. That is right. We have a memorandum to that effect. This is a memorandum that is fairly recent, January 25, 1986, in which they say, "We are pleased that the History Committee is preparing to review the several proposals of units two, three and four on Ellis Island and wishes to offer the following recommendations"—that is the southern end, isn't it?

Mr. **Galvin**. That is right.

Mr. **Yates**. This is a memorandum issued by the History Committee of the Statue of Liberty-Ellis Island Centennial Commission, addressed to Lee Iacocca, the Chairman, re: Recommendation to the Architectural Committee, dated January 25th, "We offer the following recommendations: the History Committee recommends units two, three and four be developed in a manner that preserves all existing structures on the Island.

"The significance of this historic site stems not from the individual architectural features but from its evolution into a complex of interrelated structures that in its totality embodies for the visiting public the American immigration experience. The preservation of the hospital and contagious disease wards and the intervening green space allows for an interpretation of the Island in its fullest physical context. Such a development approach, which respects the structural integrity of the island, will preserve the dignity of the island as a monument to the people of America. We would, therefore, endorse a proposal to combine preservation of the building with the least amount of new construction.

"We also believe the proposed plans for a conference center on Ellis Island would be most consistent with the use of Ellis Island's buildings and historical character."

At any rate, they approved your proposal—wait a minute, they approve a conference center, but not the rooms——

Mr. GALVIN. The overnight accommodations are part of the conference center, 230 rooms, the old hospital rooms on the Island.

Secretary HODEL. Could I ask Mr. Galvin a question?

Mr. YATES. Sure, you may. Do you want to sit over here?

Secretary HODEL. It is my impression there are also other alternatives on the conference center that would not have as many rooms on the Island; that have been under consideration as well.

Mr. GALVIN. The details have never been worked out. We received a proposal in 1982, and the Commission has been considering it since then. We have not gone any further with——

Mr. YATES. The Commission being the Advisory Commission.

Mr. GALVIN. The Advisory Commission, that is right.

We received this proposal before the Commission came into existence. The Commission has been considering it for four years.

Mr. YATES. Has the Foundation been considering it for four years, too?

Mr. GALVIN. The Foundation has been proposing alternatives.

Mr. YATES. Alternatives. They have been considering it and proposing alternatives?

Mr. GALVIN. That is right.

Secretary HODEL. If I could put this back in context.

Mr. YATES. Are we not in context?

Secretary HODEL. I think we are in danger of losing it for a moment. I want to emphasize ultimately that I am going to have to face a decision on what to recommend for the south end of Ellis Island. At the present time, the money is not in the Foundation to do that, but it is a matter of concern to the Foundation, and they may very well propose to do some things financially to assist in this. This is not foreclosed either at this stage. There has been talk about, for instance, an endowment for the Statue, an endowment for Ellis Island and so forth.

That is the kind of thing that works itself out as people of good will sit down together and try to figure out what is best for these national monuments. It is clear that these proposals are not finished proposals. As Mr. Galvin has just indicated, there are spinoffs of the conference center idea which would involve a lower number of rooms. There are alternatives that Mr. Iacocca has proposed which are offensive to some because they result in the destruction of these buildings.

This is one step. What you were reading into the record, the memorandum of January 25, is a recommendation to the Architectural Committee, which I assume will have a lot of pulling and hauling to do within itself before it can reach a consensus, if it can. They, in turn, would go to the Commission. The Commission, in turn, would say "Here is how we view it," and, hopefully, would serve as an honest broker with the Park Service and the Foundation in talking out a resolution which could be agreed to.

And if they are successful in that, there will still be people who will send you and me telegrams accusing us of doing the wrong thing no matter what, because there are strong feelings about what will happen.

SUBCOMMITTEE OVERSIGHT OF ELLIS ISLAND RESTORATION

Mr. **Regula**. You said ultimately you have to make a recommendation. Recommendation to whom?

Mr. **Yates**. Congress.

Secretary **Hodel**. If the restoration involves expenditure of Park Service funds, we have to come to this committee for appropriation of money. I don't know whether we also require authorization. I would assume it may depend upon the shape or scope of the proposal. This committee clearly has annual oversight of what we propose to do with the National Park Service people and the accounts in that budget, including the management of Ellis Island.

Mr. **Regula**. If the chairman would yield further, it would seem to me that irrespective of how this thing ultimately shakes out, that the policy question has to end up in this subcommittee, because if you were to use Foundation funds, it is still on public priority, it would be managed by people being paid from public funds, and either we can do it on a positive note or we can do it in a negative way by saying "no funds".

Secretary **Hodel**. Absolutely.

Mr. **Regula**. What I am really leading up to is that nothing is going to happen there that is contrary to the policy decisionmaking process of the House and the Senate.

Secretary **Hodel**. If we act in such a way as to not bring this committee along, you have the opportunity to step in front of our movement and say "stop", certainly. One of the things I think we need to recognize is the need for an independent commission, a commission which is clearly not under the control of, though it certainly has to have a connection with, the Chairman of the Foundation. Hopefully, it will give us a view of the array of options and improve the chances, we will all agree, of doing as good a job as can be done.

Mr. **Regula**. What you are really saying, I think correctly so, is that the Commission in a sense is an advisory body not only to you, but to this subcommittee and to the Congress, because it would seem to me we would take cognizance in making policy decisions here in funding.

Mr. **Yates**. I am not so sure that happens, Ralph. It hasn't happened up until now. They have proceeded with the commercialization of the Statue without reference to the Congress. We were not consulted on the question as to how the funds should be raised. That was between Mr. Watt, who was then the Secretary, and the Foundation.

Secretary **Hodel**. I am not even sure it was between Mr. Watt and the Foundation. I think the memorandum of understanding designated the Foundation as the primary fundraising activity, and how the Foundation chose to do that was essentially a Foundation activity.

As you are aware, some of the people in the Park Service expressed comments after I had taken my action that they felt this was good because they felt they had been too much under the control of Mr. Iacocca and had not had sufficient independence.

Mr. **Yates**. Certainly all during this period, you have been independent of the Congress, as far as the activities are concerned. It is true that we on the Appropriations Committee and other committees could have called you in and asked for an oversight hearing. We didn't do it.

Here, for example, is our hearing in 1984 on the FY 1985 budget request, when I asked questions of Mr. Dickinson on the Statue of Liberty project, and he said "We have had other kinds of assistance. Witness the fact the Statue of Liberty and Ellis Island, which is a massive fundraising effort on behalf of these two projects, I could characterize as being extraordinarily successful."

Being extraordinarily successful, the Congress decided they better not lay hands on them.

Mr. REGULA. We could have, correct?

Mr. YATES. I think we are after the fact. Mr. Watt, when he entered into that decision, was entering into an agreement based on legislative authority that was given in 1920.

Secretary HODEL. Really?

Mr. YATES. According to GAO, that was the action. The memorandum of agreement, itself, recites it in the "whereas". "Whereas the Secretary of the Interior has the discretionary authority to accept donations for the purpose of restoration and preservation of the National Park System by virtue of 16 U.S.C., paragraph six." And that was passed on June 5, 1920. That is the last legislation that is involved here.

But, interestingly, on this question of the southern half, and we will be dealing with this soon because apparently from what I sense is that you are going forward, and Mr. Iacocca is going forward, he with the Foundation, and you are going forward with the Commission.

Secretary HODEL. I would say we are going forward, and he and the Commission will be working together, and he has already talked to the new Chairman of the Commission indicating he wishes to do that. That I think is very positive. I think the heat of last week is leaving, and as the smoke clears, we will go forward with the confidence that the Commission will be able to help Congress and the Secretary know that when we propose to do something on the south end of Ellis Island, it has been reviewed as best it can be.

Mr. REGULA. Will the chairman yield?

Mr. YATES. Sure.

Mr. REGULA. Is the Foundation set up as a nonprofit corporation?

Secretary HODEL. Yes.

Mr. REGULA. And the monies that have flowed in have been put in some kind of secure deposits, and any interest earned would accrue to the Foundation, is that correct?

Secretary HODEL. I am assuming that is all true. I am not familiar with the details of it.

USE OF SCRAP MATERIALS FROM STATUE OF LIBERTY

Mr. REGULA. Did the Foundation—and I don't know this—at any point in their fundraising use any materials from the Statue of Liberty, or was it just strictly encouraging people to send money in, in return for feeling good?

Secretary **Hodel**. I don't think they sold anything, but I am not sure. Did any of the scrap metal or anything——

Mr. **Galvin**. Scrap metal from the Statue has been made available through a firm that is using the Statue logo, and they are selling souvenirs based on the excess metal from the Statue.

Mr. **Regula**. If the chairman will continue to yield, was the excess metal made available from a contractor that was working on the Statue who got this——

Secretary **Hodel**. Through the Foundation. Let me say how this works, as I understand it.

Mr. **Regula**. Who made the contracts for the restoration?

Secretary **Hodel**. The memorandum of understanding says that the Park Service and the Foundation will agree on the work that is to be done and the Foundation will sign a contract with someone to do the work, will pay the contractor and the work will then be donated to the Park Service. In other words, the Foundation handles the money, and the contractor oversees that. Of course, the Park Service has to pay close attention, because the work is taking place on a Park Service facility.

Mr. **Regula**. The contract to do the restoration is between the Foundation and the contractor, and they, in effect, donate the results of that contract to the Federal Government, if you will.

Secretary **Hodel**. It is not my understanding they give money to the Park Service.

Mr. **Galvin**. That is right. Actually, the agreement allows us to do it either way, and there have been some instances in which the Park Service has contracted for design services from a private firm with money transferred to it from the Foundation.

But in most instances, the Foundation has hired the design firms and in all instances they have hired the construction firms and the project manager.

Mr. **Regula**. Therefore, any scrap that would be derived from this would, in effect, be a result of their contract and would become their property to use for fundraising purposes?

Mr. **Galvin**. If that was the way the contract was written, that is right.

Secretary **Hodel**. I think we shouldn't lose sight of the fact the Statue has been refurbished and is being completed on schedule, and it will be available for the Fourth of July, and I think we have all lived with too many projects where that doesn't happen. I don't want that to get lost in that decision.

The important thing is that the job has been well done, some people haven't liked some of the aspects, but it is on schedule, and it is a great achievement, and I think we will find what happens to Ellis Island will fall into the same kind of characterization.

SECRETARY'S RESPONSIBILITIES FOR ELLIS ISLAND AND RENOVATION

Mr. **Yates**. The memorandum of agreement, Mr. Secretary, makes you a bosom buddy of Mr. Iacocca, doesn't it? It says in restoration activities, all programs here have you active on a project-by-project basis. "The Foundation shall be provided with the opportunity, except as the Secretary may otherwise determine, to work in close association with NPS to restore the Statue of Liberty and

Ellis Island. The Secretary shall also monitor the progress and continue review of preparation of the construction, restoration drawings and specs. In addition, these documents will be subject to the approval of the Secretary."

So Mr. Iacocca has to come to you for everything.

Secretary HODEL. The Secretary's responsibilities, of course, are carried out and have been totally through the Park Service. That is precisely right, the Foundation could make, theoretically, any agreement it wants, but the Park Service overlooks that and has control over access to the Island.

Mr. YATES. And you have control over the Park Service?

Secretary HODEL. Yes. But I have delegated to them the responsibility in this case, as have my predecessors, and, frankly, I have never read the memorandum of agreement.

Mr. YATES. Do you want to read it?

Secretary HODEL. No.

Mr. YATES. All right. Let me look at—just for purposes of the record, I want to put this into the record. When Mary Lou Greer was Director of the National Park Service—dated February 4, 1985, from the Federal Register, "Statue of Liberty-Ellis Island and donations policy. Notice is hereby given that it is the policy of the National Park Service to accept directly private donations for the restoration of the Statue of Liberty and Ellis Island. However, proposed donations generated by commercial solicitation, whether raised as a result of products sold or otherwise, are not accepted except where the commercial solicitation is conducted by or in participation with the Statue of Liberty"—it says "Statue of Liberty-Ellis Island Foundation."

This is the part I thought was interesting. "This policy is based on our concerns that the public be not confused as to those commercial entities which are in fact connected with the Statue of Liberty-Ellis Island Foundation fundraising effort and that the public be assured funds raised in this manner will be adequately accounted for and monitored."

That doesn't mean you didn't think they were being adequately monitored and accounted for before?

Secretary HODEL. No, I think the concern was for the springing up of efforts around the country of individuals who wanted to collect money for the Foundation. The Park Service has a limited amount of ability to oversee those kinds of activities, and you have a proliferation of people going door-to-door; otherwise I don't think we could have possibly monitored it, nor made assurances. We knew the Foundation was a responsible organization, and we have never suggested otherwise.

EARLIER STATUE RENOVATION ESTIMATES

Mr. YATES. To show that the Congress was interested, at least this committee was interested, I asked Mr. Dickinson to describe what the goals of the fundraising efforts were at that time. He said the goals are $230 million, and "Mr. Yates: For both? Mr. Dickinson: For both. Mr. Yates: How much for each, Mr. Dickinson? The results of the fundraising to date is $67 million. How much for each?" Mr. Dickinson said, "In pledges the cost will be $39 million for the Statue of Liberty." Is that still the cost?

Mr. **Galvin**. $65 million, including grounds. That could have been the figure for the Statue itself, but there is work in addition to the structure of the Statue.

Mr. **Yates**. It raises a question in my mind. Someone told me the Great Hall was supposed to be a museum also for immigration, that is in prospect.

Mr. **Galvin**. The Great Hall will include a museum of immigration, yes.

Mr. **Yates**. What happens to the museum of immigration that was in the base of the Statue of Liberty?

Mr. **Galvin**. That will remain there.

Mr. **Yates**. Why do you have both?

Mr. **Galvin**. The themes, I believe, are somewhat different, and the theory is some people will go to Ellis Island that don't go to the Statue and vice-versa.

Mr. **Yates**. The results of the fundraising, the cost will be $39 million, Ellis Island will be $105 million. It is more than that now, isn't it?

Mr. **Galvin**. Right now the funding is at $233 million, with the final target of $265 million.

Mr. **Yates**. All right. Then Mr. Dickinson says "I will have to double check that to make sure."

Then I asked for a breakdown, and he gave this breakdown as follows: Restoration of the Statue itself, $15 million; renovation of the pedestal, $15 million; new facilities on Liberty Island, $15 million; professional fees for the Statue on Liberty Island, $5 million; restoration of the Great Hall, $48 million; restoration of the balance of unit one, $34 million; professional fees for Ellis Island, $10 million; interpretive material for the Statue of Liberty and Ellis Island, $18 million; endowment for the Statue of Liberty and Ellis Island, $20 million; celebrations and educational programs, $28 million.

That is a lot, isn't it, Mr. Galvin? I won't ask the Secretary that, because he will ask you.

Secretary **Hodel**. I need a Commission to advise me.

Mr. **Galvin**. As a percentage of the total program, it is not a lot. As an absolute number, it is a lot, yes.

Mr. **Yates**. How much are you spending for the celebrations?

Mr. **Galvin**. I am not aware of that figure.

Mr. **Yates**. Will you be spending it or will the Foundation?

Mr. **Galvin**. That is the Foundation. In the Foundation Memorandum of Agreement, the Foundation is authorized to plan celebrations.

Secretary **Hodel**. Mr. Chairman, I have heard, though I cannot verify it at this time, that the Foundation anticipates, or may have already entered into an agreement with a major television network to cover the three days' events in return for sufficient payment to cover the entire cost of the centennial celebration. I don't know that is true, but I have heard that.

The points you are raising as you read through that, however, are the kinds of points that, as I look back, I wish we had had a commission that could have independently looked at these kinds of issues, so I could sit here and you could have sat here last year and said that is an excessive amount or that is a reasonable amount.

Mr. **Yates**. It is also fundraising, and staff expenses are $22 million. Isn't that a lot?

Secretary **Hodel**. I think Mr. Galvin's point is well taken. Absolutely speaking, it is a lot. But I think for the kind of effort you have here, I have no way of knowing if that is excessive. That is less than 10 percent by a significant amount.

Mr. **Yates**. Then I ask, "How much do you have in hand for the Statue of Liberty?"

Mr. Dickinson says, "I believe we have in hand $10 million. The rest is in pledges."

STATUS OF ELLIS ISLAND DECISION PROCESS AND DEVELOPMENT

You have stated earlier in your testimony that Mr. Iacocca and Mr. Avedisian have met and have agreed to cooperate and move forward.

Secretary **Hodel**. I understand they have spoken on the telephone, yes.

Mr. **Yates**. They have spoken on the telephone.

Where does that leave us with respect to the development of the southern part of Ellis Island?

Secretary **Hodel**. The decision process is underway, not resolved.

Mr. **Yates**. The decision process by the Commission or by the Foundation? What is the decision process?

Secretary **Hodel**. The decision process is going to be a composite of these various interested bodies making recommendations. Ideally, by the time the committees of the Commission are through, they can make a presentation sufficiently persuasive to the Commission that there will be confidence on the part of the Commission that there is one proposal or a compromise or adjusted proposal which is better than any of the others or all of the others.

Mr. **Yates**. Suppose——

Secretary **Hodel**. If so, hopefully the Foundation will also, at that point, be in accord. And if that is true, then I will be in the position of having both the Foundation, which is very actively interested, and the Commission, saying this appears to be the best.

Presumably the Park Service would be in accord with that. That is very likely what I would be recommending and would be reporting to this committee as our approach.

Mr. **Yates**. But you know you haven't reported to this committee on what you have done for the statue except indirectly by Mr. Dickinson there, and the Park Service hasn't told us what it did with respect to the Great Hall. You haven't told us what happened with respect to the northern part of Ellis Island.

Why, then, can you not do as you have done in the past, and that is, suppose you come to some agreement with the Foundation as to what should happen on the southern part of Ellis Island. What is to prevent you from going forward and finishing it up even assuming Mr. Iacocca decides your idea is correct for a convention center and hotel, and you build it and Congress doesn't know anything about it?

Why can't you do as you have done in the past?

[For the record, the Secretary turns to Mr. Galvin.]

Mr. **Galvin**. The proposals on Ellis Island would normally be the subject of the planning and management process of the National Park Service, which is required by law.

Mr. **Yates**. Of course. But you could just as easily leave it up to the Foundation if they have the money. You would rather do that than come in for an appropriation, wouldn't you?

You say, sure, we agree with you, we have the money to go ahead. Are you going to then say, no, we turn you down, we want to get an appropriation, particularly at this time of Gramm-Rudman?

Do you want to come in here and ask us for how much money for the convention center?

Mr. **Galvin**. That is a $100 million project.

Mr. **Yates**. Do you want to come in and ask us for $100 million in appropriations when you can get it, without coming in, from the Foundation?

Mr. **Galvin**. I didn't say we would come in to ask for appropriations. I said our planning process is normally a public process. And the planning process for Ellis Island until 1982 was a public process, and the Commission meetings and deliberations are public and are subject to——

Mr. **Yates**. They may be public, but they are not congressional, are they?

Mr. **Galvin**. That is right.

Secretary **Hodel**. Mr. Chairman, if the concern I hear you raising is would we be amenable to agreeing that we will not fix on a proposal without advising the committee, that causes me no concern or problem at all. I would be more than happy to do that.

Mr. **Yates**. That is fine, except last year you didn't do it, and the year before you didn't do it.

Secretary **Hodel**. Mr. Chairman, this issue hadn't been raised. I think one of the reasons why we didn't focus on this need for an independent commission earlier is, there has not been a great deal of policy-level dispute over how to restore the statue. You have the statue. You want it to look like the statue and stand at least another 100 years.

Engineers made those decisions. Those aren't policy decisions. And whether there should be brick or tile around the base really wasn't something that rose to the Secretarial level, either, nor congressional level of discussion and dispute.

I think that we have had a fairly straightforward matter to date. If we had an independent commission, some of these items would have risen, and we would have been talking about them, and you would have learned that from Mr. Dickinson last year. But we now have the major single decision, which is what the overall approach is going to be on the south end of the island.

This has been made a relatively high visibility issue. I have no problem at all in agreeing that we in the Park Service will, before doing anything that would lock us into a position, advise the committee.

Mr. **Yates**. Well, here we are on the southern tip.

Are we ready for a decision on the southern tip? Should you be asking for appropriations to carry out the National Park Service plan, so that Ellis Island can be completed on time?

ELLIS ISLAND COMPLETION SCHEDULE

What is your time schedule for completing the southern part?

Secretary **Hodel**. Early 1990s.

Mr. **Galvin**. The Great Hall is proposed to be complete—that is the northern end of the island—is proposed to be complete in 1988. It is not on the same schedule as the statue. We would like to have Ellis Island complete by 1992, which is the hundredth anniversary. So we have six years in which to implement proposals for the southern end of the island.

The straight up answer to your question, Mr. Chairman, is, if we were to ask to come to this committee and ask for appropriations, we would not be ready to do so at this time.

Mr. **Yates**. Why are you not ready? You don't have the design?

Mr. **Galvin**. Yes. Many, many of the details of the proposal have not been worked out.

Mr. **Yates**. You have had it for three years.

Mr. **Galvin**. But we have never fleshed out the proposal. That is, we received 14 proposals.

Mr. **Yates**. What should this committee do now, Mr. Secretary? You have told us, and you have told the country, that Mr. Iacocca will no longer be on the advisory committee; he will be Chairman of the Foundation. You have told us that Mr. Iacocca and Mr. Avedisian have talked on the telephone. As far as you know, it has been a friendly talk. But you don't know whether that is true or not.

Secretary **Hodel**. As told to me by Mr. Avedisian, it was a friendly talk.

Mr. **Yates**. All right. We are alerted on this committee. We are alerted to the possibility that you may or may not, under the circumstances, be in a position to proceed to the completion of Ellis Island. You don't have appropriations for it at this point.

Secretary **Hodel**. That is correct.

Mr. **Yates**. You are not asking for appropriations for it.

Secretary **Hodel**. That is correct, also.

FUNDS FOR ELLIS ISLAND

Mr. **Yates**. You don't know whether you are going to be able to get the money from Mr. Iacocca. Assuming the Foundation sustains Mr. Iacocca, you are not going to be able to get that money if indeed he continues to take the position that he would not favor the development of the southern part of the island as the Park Service wants it to be developed.

Is this a correct explanation of the present situation?

Secretary **Hodel**. I think that fairly characterizes it, with this possible addition; that it has never been clear, depending upon what ultimately is decided for the southern end of the island, whether there would be Foundation money involved at all. In other words, when you read through the list of things for which they were spending money, I didn't hear expenditures for the restoration of the southern half of Ellis Island.

Mr. YATES. That is absolutely right.

Secretary HODEL. So, it has never been contemplated. But it also has not been rejected as a possibility that the Foundation could, if it has sufficient resources, play a part in the southern end of the island.

Mr. YATES. The fact remains that the southern half of Ellis Island is still a part of the island, and if the island is to be renovated, the southern part should be renovated as well.

That being true, how does this committee proceed at the present time? Do we say, Mr. Secretary, we have heard your story; we will hear your story again next year, and leave it, as it has been, up to the Foundation and to the Commission, or should we bring the parties in?

This is just talking off the top of my head and I haven't consulted with Mr. Regula on this. I think, probably, we ought not to call Mr. Iacocca in now, because I think—as you pointed out, the heat seems to be disappearing, but I suspect it hasn't totally disappeared by this time.

I don't know that that would serve a useful purpose. But it seems that the record is incomplete. It seems we cannot—I don't know whether my colleague agrees with me, but we cannot at this time say we have heard the testimony; we bless you; you go back to what you were doing.

Secretary HODEL. Mr. Chairman, the record is incomplete because the matter is not at a point where we can give you definitive testimony other than on the process. I think when we are further along in the process, and if we have some conclusions which have more or less support or weight or appropriateness to them, we can come back to the committee, either in writing or in person, at your preference, and lay out for you where we are at that stage of the proceedings. We could then show you the considerations that persuaded the History Committee to do this and the Architectural Committee to do that, and how the Commission then amalgamated them and debated and discussed them with the Foundation, and say "Here is where we are today."

We can do that at any point in the proceeding.

Mr. YATES. We could have you come back, Mr. Secretary, and perhaps there can be some greater discussion how you can proceed. Perhaps I should ask you the question.

Mr. Secretary, how do you want to proceed, my having given you the facts that concern me?

Secretary HODEL. Mr. Chairman, I would like to proceed in trying to bring together the Foundation, the Commission, the National Park Service, and the Department of the Interior.

I would like to keep you and the committee as apprised as you would like to be of the appropriate points of information. I hope my record has been good with you and with the committee. We try to keep commitments that we make, and to keep you advised on matters that are of concern to the committee and to respond appropriately.

I would think it would be important that we make sure that we are in full understanding of it, so I don't later find out I should have said something I didn't. But I would like to keep you apprised of developments.

My own personal sense of the timing is that the dominant factor between now and July 4th will be the celebration. Both the Commission members and the Foundation board members will be focusing on that. That is a major event. It is scheduled to be a tremendous celebration event encompassing the whole New York Harbor area, the Tall Ships, and all kinds of boats and fireworks, and on and on, to the point where the statue may well be lost in this. But I think that celebration is going to be a major focus of the attention of these groups.

I would expect the work on the Ellis Island proposals to be done at the committee level of the Commission, the Foundation board, and the Park Service at this stage. It is what I would think of as a staff committee level proposal—I am not controlling the Commission on this, and I would not intend to—and I would hope they would make the decision.

At their next meeting, which is early March, hopefully they will scope out a schedule for them to try to come to grips with these competing recommendations. They are not simple. They are complex. They involve different economic consequences. And I assume that they will want a pretty definitive response.

So, I would prefer to proceed in that fashion and make the offer that I will happily return to you, to the committee, at any time that you would like to discuss this—and we could keep you posted in writing and through staff communications in the meantime.

Mr. YATES. All right.

Let me read to you from the report of the Department of the Interior and Related Agencies Appropriations bill for fiscal year 1984, page 24, at the bottom.

"The committee is aware of the efforts being made by a private group to raise funds for the restoration of Ellis Island and the refurbishing of the Statue of Liberty. The committee wants to be assured the statue will not be permitted to deteriorate if the private fund-raising effort lags.

"The committee expects to be provided with a schedule quarterly showing when actions are planned and taken, how much funding is needed, expected to be available, and is available, with the first report due from the date of this report."

That is the paragraph I wanted to read. The last report this committee received was the first quarter of 1985. We have not received reports since that time.

Secretary HODEL. I was not aware of that.

Mr. YATES. I know that. That is why I read it. I assumed you weren't aware of it.

Secretary HODEL. I don't think there is any dereliction here. It may well be because the answers you obtained from Mr. Dickinson in the record which you read to me indicated that basically the Foundation had raised enough money by early last year, by the time probably of the last written report, in order to provide assurance that the statue could be refurbished and completed. And then the rest of the money would go for Ellis Island.

Your line of questioning of Mr. Dickinson, as you read it to me, then related to Ellis Island.

Mr. **Yates**. I want the record to show the committee is very unhappy and very concerned about the prospects for the future. I want the record to show that because, as of now, as of the state right now of the record, Mr. Iacocca does not agree with NPS's plan, and Mr. Iacocca is in charge of fund-raising. When I say Mr. Iacocca, I mean the Foundation as such.

So, as I understand your previous answer, if Mr. Iacocca wants to, he need not provide the funds for carrying out the Park Service plan.

Mr. Galvin, on the other hand, has said we never asked Mr. Iacocca for the money. Also, Mr. Galvin said we have not asked the Congress for the money. They are not in a position to do either. So that leaves the southern half of Ellis Island in limbo at the moment.

Isn't that correct?

Secretary **Hodel**. In process, yes.

Mr. **Yates**. In process, and in fact.

Secretary **Hodel**. Not resolved yet as to what will be proposed. We are at that stage in every project at one time or another before we make a proposal.

Mr. **Yates**. That is not necessarily true. If you agreed with Mr. Iacocca, you could have finished the island.

Secretary **Hodel**. I think not, Mr. Chairman.

Mr. **Yates**. Sure. He would have gone forward and torn down the historical buildings, and then——

Secretary **Hodel**. I am told that the professional level in the Department has serious problems with the proposals which would have bulldozed part of that island.

Mr. **Yates**. I know. I say, had you agreed with him, you would have been through with it.

Secretary **Hodel**. I think we have a further problem, and that is the funds for that activity would have to be appropriated, if I am not mistaken.

Mr. **Yates**. No, no.

Secretary **Hodel**. For the clearing of the south end of Ellis Island.

Mr. **Galvin**. The funds for the activity were never part of the Foundation's fund-raising targets. There were no funds for that.

Secretary **Hodel**. If there were, we would have to come to you with an appropriation request to carry out that plan, and then we would hopefully testify as to how we plan to pay for the ethnic——

Mr. **Yates**. What you are saying is, the chair and the committee—I don't know whether Mr. Regula had the same impression I had—that the Foundation had the funds to proceed with Mr. Iacocca's plan.

Is that not correct?

Mr. **Galvin**. No.

Mr. **Yates**. It does not. So, we are more concerned.

Secretary **Hodel**. Hopefully, less concerned, Mr. Chairman, because what that says is we can't proceed on the south end of Ellis Island to do what Mr. Iacocca recommends, and we have agreed we will not proceed to do what the Park Service has suggested without advising this committee and keeping in touch.

So, we now will proceed to try to come to grips with an agreeable proposal. Hopefully, the consensus approach will work here and we can come before you and say here is how we are proceeding with the south end of Ellis Island. There is not only the capital cost question, but the long-term management costs. I know you are concerned about that.

Mr. YATES. I have this question: Do you know whether the Foundation proposes to try to raise funds for the restoration of the southern half of Ellis Island?

Secretary HODEL. The $265 million target, to the best of my recollection and understanding, does not include monies for the restoration of the south end of Ellis Island.

Mr. GALVIN. That is correct.

Mr. YATES. What you have done is thrust it within the committee, haven't you?

Secretary HODEL. No, we have not yet done so. But we have indicated that when we have heard from all these parties and we have reached agreement, if there——

SECOND HEARING ON ELLIS ISLAND SET FOR MAY 2

Mr. YATES. I feel like a judge in this respect. I think I am going to continue the case for another 60 days and let you report back to us after you have had a chance to talk to all the parties and tried to bring everything together, and let us know, at that point, how you propose to finish the job on Ellis Island.

Secretary HODEL. At that point, Mr. Chairman——

Mr. REGULA. We are really more than judge. We are the policymaker.

Mr. YATES. Not at the moment.

Mr. REGULA. We will be, though.

Mr. YATES. Mr. Hodel is going to consult the Congress at that point. Some point along the line, he will come back and tell us.

Secretary HODEL. There are three options. One is, the Foundation says they will raise additional money and they will fund it. Another option is, somebody comes along and says they will pay for the concentrated cost approach. The other is, we come back with a historic preservation approach, which could be any level of conservation. So, we have any or all of the above in some degree, Mr. Chairman.

Mr. YATES. Come in on May 2nd, all right?

Secretary HODEL. We will plan to give you an update, Mr. Chairman. If my "guesstimate" is correct that the focus of the Commission and the Foundation will be the celebration between now and July 4th, then what I hope to be able to do is give you a sense of what the scope and the effort is for the Commission even if we have not reached a resolution of the final question.

PREVIOUS TESTIMONY ON ELLIS ISLAND

Mr. YATES. Okay. We have taken care of that.

I just wanted to ask one more question stemming from last year's hearing on Ellis Island when Mr. Cables was present.

I read from the record: "Mr. Yates: How about Ellis Island?"

"Mr. Cables: The main building on Ellis Island is scheduled for completion October 1, 1987."

"Mr. Yates:"—I thought Mr. Galvin used the date of 1988.

Mr. **Galvin**. That is correct, open to the public in 1988. I believe those dates have slipped some.

Mr. **Yates**. "How much money will be spent on that?"

"Mr. Cables: The figures on the island one or two complex is somewhere in the neighborhood of $88 million."

"Mr. Yates: And you have enough money for that?"

"Mr. Cables: At the current rate of pledges and so forth, the Foundation is reporting about $167 million commitments to date."

"Mr. Yates: Does that take care of the seawalls, too?"

"Mr. Cables: No, sir, it doesn't."

"Mr. Yates: Are you taking care of the seawalls?"

"Mr. Cables: Yes. The seawalls have been handled by the Park Service in previous budgets."

Now I ask Mr. Galvin the question: Does that mean, Mr. Galvin, that the seawalls have been completely restored?

Mr. **Galvin**. Yes. The seawall is finished, yes.

Mr. **Yates**. So you don't need any money for that?

Mr. **Galvin**. No.

Mr. **Yates**. All right. So there is no problem any more? Mr. Cables says there is a slight problem in the Ellis Island area that we are currently negotiating with the Corps of Engineers for the backfill and the straightening out of an area that I understand has been undermined.

Can you tell us about that?

Mr. **Galvin**. I believe he was referring to an area behind the seawall where the construction was supervised by the Corps of Engineers. We have some problems with that construction, and I think he was trying to get the Corps of Engineers back in to see that the terms of the contract were carried out.

COST OF VARIOUS ELLIS ISLAND PROPOSALS

Mr. **Yates**. Mr. Galvin, do you know what the cost of the various proposals for the south end would be at this time?

Mr. **Galvin**. The various proposals——

Mr. **Yates**. Mr. Iacocca and yourself?

Mr. **Galvin**. No.

Well, the conference center proposal, the total budget was estimated at $100 million. That was very preliminary, and——

Mr. **Yates**. You would rather wait until May 2nd, then, and come in with what you consider better figures?

Mr. **Galvin**. Well, that is an order of magnitude figure.

I think one thing that needs to be made clear about the conference center is that it was a proposal for a private party to put up that money to rehabilitate those buildings, to clear off the south end of the island, and, in a sense, open up the old open space which has now been totally overgrown—to make that end of the island available to the public, but operate it as a conference center, which obviously would produce an income stream that would presumably justify the $100 million investment. It is a not-for-profit corporation proposal.

Mr. Yates. Have you had that offer made specifically, or do you intend to go out for an RFP?

Mr. Galvin. We put an RFP in 1982 and got 14 proposals. The Center for Housing Partnerships' proposal was deemed the best one by an independent panel. That is the proposal that we currently favor as the alternative for the south end of the island.

Mr. Yates. Was this submitted to the advisory commission for its review?

Mr. Galvin. Yes, it has been in front of the advisory commission since 1983.

Secretary Hodel. It was, I believe, at one of those meetings where a member of the Commission said we can't make a decision on something this complex without some studies. I am assuming that is when the subcommittee arrangement structure was established, the outcome of which is, at least in part, in this memorandum of January 25.

Mr. Yates. All right. I think we have come to the end of this. Let me just see whether I have covered all my questions.

USE OF FOUNDATION FUNDS

Did I get an answer to the question, Mr. Secretary, which is this: What if the Foundation does not approve the NPS plan? Can it withhold funds?

Of course, Mr. Galvin says we never asked the Foundation for funds. He now says that the Foundation is not raising funds for the proposal.

I suppose then the question is superfluous, isn't it?

Secretary Hodel. To answer your question in a more general way, if the Park Service and the Foundation don't agree on a particular restoration activity, nothing goes forward. If the Foundation wants to spend the money to do something and the Park Service says go ahead, but we won't let you on the island to do that, they can stop them. Conversely, if the Park Service says we want you to do something on the statue or on the grounds or on Ellis Island and the Foundation says, oh, no, we don't want to do that—and there has been, I am sure, tension from time to time, but it has always been worked out. This is not unusual.

Ever had a friend who built a house? He has got problems with his contractor throughout. Yet, when they finish, they look at the house and say——

Mr. Yates. You are not telling me anything I don't know. I am trying to refurbish my apartment. It is impossible to get a contractor who works daily.

I don't understand one thing then. At Mr. Iacocca's press conference, he said that he would continue to take control of the funds to make sure that faith was kept with the school children who contributed their nickels, and I assume the others who made their contributions. But there is no quarrel as to how those funds should be dispensed, as I understand it, because there is agreement throughout on the northern part of the island and on the Statue of Liberty. So, there is no controversy on that.

On the southern part, those funds are not applicable. They haven't raised funds for that purpose.

Secretary Hodel. But it was a dramatic statement to make.

Mr. Yates. Perhaps he thought the funds were for the southern part of the island, as well. This is a possibility. I am serious about that.

Secretary Hodel. It is a possibility.

Mr. Yates. This is a possibility because you tend to think in total terms of Ellis Island rather than the half of it. I think that is all.

Mr. Conte, do you have any questions?

We were on the point of adjourning until 1:30.

Mr. Conte. I will come back then.

SPECIAL PREFERENCES FOR CONTRIBUTORS

Mr. Yates. Let me go back to Ellis Island for a moment, and Liberty Island. There is a report of a contract with Kodak, for example, for a permanent exhibit near the Statue of Liberty, and that American Express can have Liberty Island closed for private parties.

Is this true?

Secretary Hodel. I do not know.

Mr. Galvin. Closing any national monument for private parties is against management policies. I am not aware of such an agreement with American Express.

Mr. Yates. Would you check into it, please?

The articles that I read indicated that special preferences may have been given to those corporations who made contributions. For example, I think Coca-Cola was told that it would have no competitors for soft drinks on the island.

Mr. Dicks. These are contributions to the Statue of Liberty Fund, not political contributions, I assume?

Mr. Yates. That is right.

Only Cokes would be available on the island for soft drinks.

Do you know about special preferences in any of the contracts or conditions that were made as a result of contributions received by the Foundation?

Mr. Galvin. No.

Mr. Yates. Would you know about them? Would they have to tell you about them—"they," the Foundation?

Mr. Galvin. The charter of the Foundation requires approval, yes.

Mr. Yates. And if you do not know about them, does that mean they do not exist?

Secretary Hodel. No, it means, Mr. Chairman, they may not be enforceable if they exist, or they may not exist.

Mr. Yates. Do you know about any?

Secretary Hodel. We have to ask the Foundation.

Mr. Yates. Would you ask the Foundation?

Secretary Hodel. Be happy to do so.

Mr. Yates. Would you ask the chairman of the Foundation?

Secretary Hodel. I would ask the new chairman of the Commission, the advisory commission, to take a look, as the charter asks them to do, at these kinds of questions.

We have not exercised that kind of control over the Foundation. The body set up to do it had no impetus to do so because its chairman had no particular interest in doing so.

Mr. YATES. But the fact remains that in 1992 you gain full control of the island.

Secretary HODEL. More than that, Mr. Chairman. We have full control now. Nothing can take place there that does not meet Park Service approval. So, if somebody asserts that he has been given a promise that, because he contributed money, such and such would happen on the island—and it will only happen if the Park Service agrees to it.

Now, I don't know what that does to the relationship between that person and the person who made him the promise, supposedly from the Foundation. We are not responsible for performing those.

Mr. YATES. I would like you to be prepared to reply for the record at our next meeting whether there is substance or no substance to the charges that have been made of special preferences as a result of contributions that have been made to the Foundation.

Secretary HODEL. I appreciate that, and I believe Mr. Iacocca will appreciate the opportunity to set the record straight on some of those suggestions.

Mr. YATES. Go ahead if you have any questions.

Mr. CONTE. Just one question on my favorite subject.

Mr. YATES. Duck stamps.

Mr. CONTE. Mr. Secretary, first I want to say how pleased we are to have you here. I have always enjoyed working with you.

WATERFOWL HABITAT

The Department of the Interior Budget Justifications identify a very, very serious problem affecting the waterfowl. The lowest waterfowl breeding population recorded in thirty years of the surveys occurred in 1985. The 1985 fall flight was 22 percent lower than in 1984. And now I know there are a lot of factors affecting the sharp decline, but one factor surely is the rapid disappearance, as you are well aware, of wetlands in this country. There are thousands of acres of wetlands that are destroyed each year.

For the most part, this habitat loses its value to support the wildlife once development takes over, developments—filled in swamps, wetland areas, buildings. Even after recognizing this serious problem, according to your budget documents the department believes that land acquisition expenditures can be deferred without incurring the primary mission of the Fish and Wildlife Service.

How in the world can we ever protect the wildlife habitat, especially the waterfowl habitat, without spending money? I know we have got a tough budgetary problem all around. I have been at hearings at different committees. But once that wetland is gone, there is no way you can reclaim it again.

Secretary HODEL. It certainly is very difficult. Of course, the answer is a combination. One, we have some money coming from the duck stamp program which would continue to be utilized for the high priority acquisitions.

Also—I know you are especially aware of this because of your service on the Migratory Bird Commission—there are monies which, fortunately, become available for acquisition other than through appropriation. There is a great effort from Ducks Unlimited and others to do it. And there are State programs. And, in addition, it is my understanding that in the recent farm bill there is the wetlands incentives program, which may be more productive in terms of numbers of acres not being taken out of wetlands than all of our land acquisition activities in a given year.

So, I guess the answer is a combination. Certainly we realize that people will have different priorities on this, but in this case, it is the best approach we can take in a constrained budget climate. We are not cutting off wetland acquisition. We are also not asking for additional appropriations to expand the specific activity.

Mr. **CONTE**. Are you making a concerted effort in the North Dakota area where we have lost a lot of potholes, and we could lose a lot more if they don't get in there fast?

Secretary **HODEL**. I don't have a specific answer, but I can give you my impression based on briefings I get from time to time from the Fish and Wildlife Service. That is, they have focused attention on North Dakota; in fact, that whole Midwest flyway. What that means in terms of special effort there, I don't know. But I certainly have gained the impression, in talking to the former Governor of North Dakota, that a very substantial success rate has been achieved.

Whether there is still a lot to do or not, I don't know.

Mr. **CONTE**. We can go further in our next meeting then. I have a lot more questions. I will submit them for the record.

Thank you.

Secretary **HODEL**. The Fish and Wildlife Service will, I am sure, be prepared to deal with that.

Mr. **REGULA**. Will you yield?

Mr. **YATES**. Ralph.

Mr. **REGULA**. Thank you, Mr. Chairman.

I would like to suggest this hearing has been extremely useful in clarifying the way in which the policy decisions should be made and points out the importance of this advisory commission as an independent agency to not only advise, in effect, the Secretary, but ultimately to advise the members of this subcommittee. I hope that we can hear from them in the near future.

FWS COORDINATION WITH AGRICULTURE ON SWAMPLANDS

My question to you, Mr. Secretary, aligns with questions to Mr. Conte. Has there been any attempt to coordinate swamplands—I realize that is not yet implemented—but the swampland provisions of the Agriculture bill with the need for wetlands, because it seems here is an ideal way to accomplish two objectives?

Secretary **HODEL**. It is my understanding that is so. And even before that bill was passed, the Fish and Wildlife Service was actively working with the Department of Agriculture. They helped obtain agreement within Agriculture that that was an appropriate portion of the farm bill and supported it within the Administration.

And my understanding is—I should clarify this, if there is any additional information, but my understanding is that they have been working with the Department of Agriculture to breathe life into that provision. In doing that, I am assuming the Fish and Wildlife Service would set priorities and mesh it with the other activities that are going on.

Mr. **Regula**. I think, as I recall, the bill requires the Soil Conservation Service ultimately to designate what are uplands and what are swamplands, et cetera, so it would be a natural place to accomplish these two objectives.

Secretary **Hodel**. It really would.

Mr. **Yates**. Mr. Dicks.

Mr. **Dicks**. Mr. Secretary, I want to first of all apologize for not having been here earlier today, and I know that you have been the subject of some controversy lately. I was pleased to read this morning, though, in the Washington Post, that you had received an offer of a $500 rebate on a new Chrysler, so it shows things can't be all bad. Mr. Iacocca certainly knows how to keep his eye on the ball, anyway.

PUYALLUP TRIBE LAND CLAIMS

One thing I just wanted to say today—and I know I will have a chance to go into this later in detail—I wanted to publicly thank the Secretary for the tremendous help he has given me on the question of the Indian land claims dealing with the Puyallup Tribe in the State of Washington.

We had a slight setback a few weeks ago. The tribe had their first vote on this question and went down on a vote of about 238 to 157.

Somebody asked me what I was going to do about it, and I said maybe I would bring Marcos over to count the votes the next time they vote.

But, seriously, I do want to say how much——

Mr. **Yates**. We could do with him in Cook County.

Mr. **Dicks**. One of the members of the committee, Congressman Murtha, and another member of the Appropriations Committee who was also involved, Congressman Livingston of Louisiana, I asked him, "Now, was the election any different than what you have seen in Louisiana?"

He said, "Not a bit different."

So, anyway—I don't know how I got distracted on that—but I wanted to say thank you again for the tremendous help that you and Mr. Cox of your staff gave us on this. And we hope that the tribe has some second thoughts and may revisit this issue and may vote on it again in the middle of March. They are now thinking they may have made a mistake, and they didn't have full understanding.

It was a very complicated agreement and very lengthy agreement, and many of the tribal members just didn't feel they had had a chance to fully understand it. So, the tribe is sending out an issue paper answering a lot of the questions that were raised. And so we hope we are going to get another run at it and more favorable action in March.

Mr. **Yates**. Is there a relocation problem here?

Mr. **Dicks**. No, no.

What we are talking about is actually land that is in the city and the county and the port area, and we are trying to give the port a larger land base. This would be land given to them from the port, and I think one of the most creative economic development programs to try and provide jobs for the tribal members in the community.

Mr. YATES. How much will it cost the Federal Government?

Mr. DICKS. It is still a little bit rough. We are meeting the Administration's criteria of a 50-50 split and the lands involved in the claims probably run from somewhere in the range of a half billion to a billion dollars, and the settlement would be around $140 million, of which 50 percent would come from the Federal Government, hopefully.

Mr. YATES. If there are no further questions at this time, let's come back at 1:30.

AFTERNOON SESSION

NAVAJO-HOPI INDIAN RELOCATION COMMISSION

Mr. YATES. What do you want to do about the Navajo-Hopi Relocation Commission? I don't think they are doing a very good job. I don't know how we are going to get out of it. The amount of money available this year in the new budget is the same as it was last year, there is no extra money for construction. This is a letter from Mr. Swimmer, who is your new Assistant Secretary, and I think a good one——

Secretary HODEL. Thank you, so do I.

Mr. YATES [continuing]. In which he says: "On February 4, 1986, I testified before the House Subcommittee on Interior, Committee on Appropriations, that additional consultation with the affected Navajo Indians and the development of plans implementing the results of that consultation must precede the Secretary's decisions on how and where the replacement housing and roads should be constructed. At this time, I cannot be more specific as to how the Secretary will expend the $22 million for housing and $3.2 million for roads on the new lands."

I think at that rate, we are never going to get through with the job, and I suppose under Gramm-Rudman there is nothing you can do about it, is there? Mr. Swimmer has got a pretty good letter here, dated February 10, 1986, in which he reviews what the Commission is doing, and I don't think he thinks the Commission's relocation plans are very good.

In this letter, he said: "Most of the Navajos remaining to be relocated are shepherds. They live at a subsistence level, well below the poverty line. Their dependence on their sheep for their sustenance dictates that a workable grazing plan, the allocation of available pasture, the grouping of families in specific grazing areas, and related matters must first be determined in consultation with the Navajo relocatees."

Then he goes on to say, "I do not believe that Congress intends the Secretary to build urban type dwellings which these people may either not want or may not be able to maintain. Such an approach will create persistent additional problems. I believe that additional and intensive consultation with these people is required before the Secretary can begin construction of the replacement homes."

He wrote, "the separation of these planning and construction functions creates practical impediments to the Secretary's implementation of the construction function." Do you know what we are talking about?

Secretary **Hodel**. Yes.

Mr. **Yates**. Should you put them both together? Should you put them both under Mr. Swimmer and let him do it?

Secretary **Hodel**. Mr. Chairman, that would appear to be an easier way to deal with it if it could be accomplished. We have to recognize that there is a Commission, there is a constituency for the Commission on the Hill, and it may be that is not a practical way to proceed. I do not wish to create a relationship between Mr. Swimmer and the Commission which makes it harder rather than easier to work together. But it is my understanding the Commission, by its terms, comes to a conclusion later this year.

Mr. **Yates**. Here is a memorandum——

Secretary **Hodel**. Is that not correct?

Mr. **Yates**. Well, there is a deadline——

Secretary **Hodel**. I am being advised the law expires, but the Commission itself does not.

Mr. **Yates**. Except that Justice—this is a memorandum dated January 17, 1985, from the Office of the Deputy Assistant Attorney General, re: Status of the Navajo and Hopi Indian Relocation Commission and Removability of its Commissioners.

"This responds to your memorandum," and they go on to say, "the Commission does *not* constitute an Executive agency." Rather, we believe the Commission, when viewed in light of all relevant factors and particularly the appointment of its members by the head of a department, is most appropriately considered to be a part of the Department of the Interior."

So, if it is a part of the——

Secretary **Hodel**. If I could——

Mr. **Yates**. It said, "the long-standing rule that, in the face of statutory silence, the power of removal is presumptively incident to the power of appointment . . . it is our view that the Commissioners, as inferior officers of the Executive Branch, serve at the pleasure of the Secretary of the Interior."

That I think relates in some measure to what you just said?

Secretary **Hodel**. Yes. And that is the area of discussion Mr. Swimmer and I have had as he has approached this and become more conversant with the issue.

Mr. **Yates**. He is going to have a terrible job unless he has——

Secretary **Hodel**. Control.

Mr. **Yates**. That is right.

Secretary **Hodel**. The Commission is called upon to render a report quite soon, if it has not already done so, on its plan for relocation. And we have a review function with regard to that plan, and Mr. Swimmer clearly has his views, as are laid out in this letter you were referring to, that, to me, makes sense, the idea of taking semi-nomadic shepherding people and trying to place them in an urban setting is not going to work, and he is sensitive to that with his background as principal Chief of the Cherokees.

At this point, I don't know that there is assurance that he cannot work with the Commission. I understand the Commission has in excess of $20 million. They have relocation money, we have construction money. But the important thing is if we can determine what should be done, if the Commission is in accord with that, I think we can move forward. If that does not work, as the letter from the Attorney General indicates, there is substantial authority in the hands of the Secretary to set that straight by making changes in the personnel in that Commission, or removing, and then hopefully compressing those responsibilities of the Assistant Secretary.

Mr. YATES. Are you allowed to place in Mr. Swimmer's responsibility, not only the construction, but also the planning?

Secretary HODEL. I do not know. I know that he has authority——

Mr. YATES. He wants it. Because he says he can't construct without a plan.

Secretary HODEL. I think, in addition, what he feels the Commission could be very useful in doing, or the personnel of the Commission, would be in working with the relocatees in advance of the issue.

Mr. YATES. Yes. He testified to that. And that is something that the Commission hasn't done.

Secretary HODEL. I understand it has not been done at all.

Mr. YATES. That is why I think you ought to step into it. However, that is your decision. I think Mr. Swimmer is the guy who shows some sensitivity that the Commission hasn't shown yet to the needs of these nomadic people.

Secretary HODEL. Mr. Chairman, if I may comment, I share your assessment of Mr. Swimmer's capability and involvement and interest in this. I am looking very much to him for guidance on not only what to do vis-a-vis the Commission, but certainly on how to proceed in the Navajo-Hopi relocation to minimize the problems that we have all feared would exist if we tried to just charge ahead with enforcement of that relocation law.

I am hopeful that he would be able to chart a course which would solve the problem and also get us a workable construction plan, which I don't think we have seen yet.

Mr. YATES. No, we haven't. We haven't seen it out of the Commission, and the question is whether you will see it out of the Commission.

Secretary HODEL. I don't think Mr. Swimmer is optimistic that we will, unless some changes take place.

Mr. YATES. Then what happens to the changes? Are you going to change it?

Secretary HODEL. I will support Mr. Swimmer's advice and recommendations.

Mr. YATES. Is Mr. Swimmer now overseeing whether such changes should take place?

Secretary HODEL. I believe he is in that process. He has talked to the Commission and has been trying to push this forward. It is my intention to support Mr. Swimmer unless it has got some manifest problem with it, because I feel he will be much better able to identify the solution than I would ever be.

Mr. YATES. All right. How long will Mr. Swimmer take, do you think?

Secretary HODEL. I don't have the time schedule, but my sense is he has a real sense of urgency on it because of the combination of due dates on the report, the budget situation, and the former July date, which I now understand has moved until housing has been completed.

Mr. YATES. We face a deadline this July, presumably fixed, that hasn't been extended. Mr. Udall told me that he was contemplating other proposals, hoping for a settlement between the Navajo and the Hopi. I suppose I ought to include this—it suddenly occurs to me we are going to have a lot of things to discuss on May 2nd. We ought to postpone this until May 2nd too, after you have had a chance, and Mr. Swimmer has had a chance, to come to a conclusion on this.

Secretary HODEL. I would anticipate if anything more specific came up between now and then that we would apprise you rather than waiting until the 2nd of May.

Mr. YATES. All right.

Secretary HODEL. But certainly it would be appropriate to discuss it then, if not earlier.

KESTERSON/CONTAMINANT PROBLEMS

Mr. YATES. In your statement, you talked about Kesterson, and you talked about dealing with Kesterson, and I was kind of surprised the time for dealing with it is the end of this year. No funds, you say, are requested for actual cleanup pending submission of the cleanup plan to the State of California.

You talk about your task group, identifying 20 areas involving your responsibilities throughout the West requiring further study to determine if corrective action is needed to confirm potential irrigation induced water quality problems. If my memory is correct, you have many more than 20 areas where you have pollution problems in your Fish and Wildlife Service.

Secretary HODEL. Yes, sir.

Mr. YATES. What is being done about those?

Secretary HODEL. The difference between the two, of course, is these are induced by irrigation, and the others were identified, in many cases, brought to light by a contaminant study done by the Fish and Wildlife Service, which, I believe, was reported in January. That study was to identify what hazards there were to various refuges. To answer your question, work is going on at various levels of cleanup. Sometimes there are places where a cleanup effort is underway; other places, as with Kesterson, the plan for the cleanup has yet to be determined, but the problem is now, I think, substantially under control.

So they are in all stages of handling, as I understand it. Part of the problem is that some of these refuges were put in places that had previously been used as dumps, and people said, "We want to live there or do other things there, let's put a fence around it." Others said, "Let's make it a refuge." It is my understanding the

Fish and Wildlife Service is trying to come to grips with those, using whatever authorities are available, including looking to the EPA and DOD.

We have this problem on other Federal lands, as you know. The Bureau of Land Management has many instances of Federal land used, legally or illegally, as dump sites of one kind or another. I think we will see a steady effort on the part of each of the Bureaus that has this problem to deal with it.

What we did in the case of Kesterson, where we had a problem, where it was agreed it was causing physical harm to some wildlife, was to deal with that one on a very specific basis. We said, then, "Let's find out quickly whether we have any others that rise to that level of contamination."

That quick study determined that there were no more Kestersons, as such, but there were 20 or so that were more or less in that category that require further evaluation. The bulk were far up and down the line, that there is less concern about them, and more into the category of we need to deal with these over time, but there is nothing urgent.

Mr. YATES. When you speak of Kesterson, do you also include the Grasslands area?

GRASSLANDS WATER QUALITY PROBLEM

Secretary HODEL. I was talking about Kesterson. The Grasslands area is another problem—the special, peculiar problem of Kesterson was the Bureau of Reclamation had the responsibility to take the drain water and dispose of it. They disposed of it in these new ponds that they built, which became a refuge and over time showed high concentrations of selenium. Then we began to see the effects on wildlife.

So the peculiar thing about Kesterson is it was a Bureau of Reclamation responsibility to dispose of the water. We have an obligation to dispose of the water properly, just as anybody else does. If it is toxic, we have to dispose of it in a safe way. In most areas, what we do is sell water and somebody else has the responsibility of disposing of it, and if in their hands that water becomes toxic, they have to dispose of it in some way which is not polluting.

So in Grasslands, as I understand it, there is irrigation and drain water overflow, which is flowing into Grasslands, creating a Kesterson-like problem, although not of the same intensity yet. But it is not a Bureau of Reclamation contractual obligation to dispose of that water. So it is legally distinct, but the state has now become much more active in that, and I suspect if we find a solution to Kesterson, it will apply also to the Grasslands area.

Mr. YATES. They are in pretty bad shape, too, aren't they?

Secretary HODEL. The Grasslands?

Mr. YATES. Yes.

Secretary HODEL. I don't know what——

Mr. YATES. I have read newspapers and periodicals saying the Grasslands haven't been addressed as fully as it should. Kesterson, you have got something in the making there, but you don't have anything at Grasslands.

Secretary HODEL. I believe the state has become, in recent months, quite a bit more active. One of the things talked about is that there would be some additional fresh water, not containing selenium, which would be made available for Grasslands to help keep them at a higher quality of water. I do not have the impression the Grasslands problem is of the same level as Kesterson reservoir.

Mr. YATES. You have had a two-year biological study going on in Grasslands. Apparently, it is not listed as requiring immediate corrective action in your publication, "Issues of Concern." You put it in category B, as something that needs in-depth monitoring. I think the people out there, at least the environmentalists out there, think it deserves stricter attention.

Secretary HODEL. Mr. Chairman, the articles and statements regarding toxicity have a great deal of public interest attached to them.

The articles that engendered our review of other areas would have you believe there were thousands and thousands of livestock that had died from selenium toxicity. No evidence exists of that that I am aware of. We went out and looked at all of the——

Mr. YATES. Isn't that true of Kesterson?

Secretary HODEL. In Kesterson, we were concerned.

Mr. YATES. You closed it down for a while.

Secretary HODEL. As a matter of fact, what happened in Kesterson is that we had become concerned, and the problem was the parties to whom we were selling water were resistant to doing anything. When the Migratory Bird Treaty Act was drawn to my attention, it became apparent our employees were in jeopardy of being charged with a felony for violating the act, because they were taking this toxic water and depositing it in a reservoir. At that point, I said we could go no further, and if our only way to prevent taking it was to stop delivery of water, that is what we would do. That is a drastic step. I said we would do that unless we reached agreement to do something else.

Mr. Miller and Mr. Coelho were quite adamant something should be done about Kesterson. As soon as I did something, they were quite upset with what I proposed to do.

Mr. YATES. You took too long.

Secretary HODEL. I took too drastic a step. It was not thought to be an appropriate thing to do. As a result of it, we entered into a negotiation. Westlands agreed to a responsible program——

Mr. YATES. You haven't cut off the water yet?

Secretary HODEL. The water has been diminished in stages pursuant to the contract. They had another stage to set this week, or last week. Because of the floods out there, they can't get in to close the drain, and we will get an extension from an Act of God. By June, the entire flow is to be cut off, and that is where Westlands is presently headed and has not requested an extension.

There have been talks out there in the papers, but Westlands has not come to me, and, frankly, sir, I hope they do not, because it seems to me that we are on the right course. And until we stop the drain water from flowing into the reservoir, we can't begin the cleanup effort.

SAN JOAQUIN VALLEY PLAN

Mr. **Yates**. Well, the National Academy of Sciences is critical of your long-term research and study plan for the San Joaquin Valley. Are you taking any steps to respond to their criticism?

Secretary **Hodel**. I don't know. I am not aware of the level of criticism.

Mr. **Yates**. Do we have a copy of their study?

Secretary **Hodel**. I am sure it is well known in the Department, Mr. Chairman. I don't mean to suggest it hasn't been looked at.

Mr. **Yates**. We will make a copy of that study available to you.

Secretary **Hodel**. I am sure it is available. The position I have taken from a management standpoint, Mr. Chairman, is that we cannot tolerate or casually ignore, or however you wish to characterize it, the problems arising from toxic materials. It is so difficult in the public arena to distinguish between a low-level discharge, which has no significant effect and not even a long-term potential effect, and a discharge of the magnitude that was occurring in the Kesterson case, which begins to have demonstrable effect.

As far as the commentators are concerned, it is the same thing, whether it is called toxic waste or pollution. We do have a responsibility, I think, in managing scarce resources, and to put our focus on those that represent some kind of a risk to fish and wildlife. I may say in none of this have I seen credible evidence that there is risk to human health or safety.

Mr. **Yates**. What is your reaction to the articles that appeared in the Sacramento Bee?

Secretary **Hodel**. Our reaction to them was to go out and explore each of the areas they had identified, and our conclusion was the articles were extravagant in the assertions of the risk or the hazard that existed in almost all circumstances. Some of the anecdotes related to hundreds or thousands of sheep or goats or cattle dying from ingesting toxic materials simply didn't appear to have any validity to them at all. A great deal of agitation was caused and created by these articles, which, in fact, did not bear out when the examination took place.

Instead of that, we have a list of places where we think we have to concentrate our attention to make sure more serious problems don't arise.

Mr. **Yates**. Do you have enough money in the budget to take care of the problem?

Secretary **Hodel**. Enough money to review them. We do not have enough money to clean them up if we decide we have to do cleanup. At this point, even with Kesterson, we don't have a cleanup plan. Step one is to get the drains closed. They are looking at a number of different ways to conduct the cleanup. For instance, one of the suggestions is you keep fresh water in the reservoirs at Kesterson in order to minimize the problem.

Another concern is if you dry them up, can you scoop the material off the dry bed of the reservoir? Does it get into the airstream if you let it dry up? Can you solidify it with some kind of a solution before it dries up? We are exploring—I think the Geological Survey is doing some work—to what extent does this represent a threat to the groundwater system?

Accusations have been made, and there may be some truth to them, at this point I don't know, that there is seepage or percolation into the groundwater. How fast does it move through the ground or groundwater?

There are almost an unlimited number of questions which require a wide array of options for cleanup, that range from a few million to hundreds of millions of dollars.

Mr. YATES. How do you function with respect to OMB? Does OMB make available one sum of money for the Department of the Interior that you allocate?

Secretary HODEL. I think the best answer is no. But there is that element in the sense that the OMB clearly gives us target figures. That is a lump sum number——

Mr. YATES. The reason I ask the question is because we have divided attention to the Interior budget. Mr. Bevill's subcommittee handles reclamation and water projects, mine handles other things, as you know. Do you have to decide how much money goes to Mr. Bevill's committee and how much goes to my committee, or does OMB decide that?

Secretary HODEL. We will take their target figures, and I don't know how specific they make those initial target figures. We go back and say "We think this is how we ought to allocate." Take the Kesterson situation, that is a cross-cutting issue concerning the Bureau of Reclamation and Fish and Wildlife Service primarily, although the Geological Survey is also involved. I suspect some of these problems are on BLM lands. I have lots of places in the Department to get involved.

I think we try to look at that as a cross-cutting issue and say how much money should appropriately be spent? I think some of the money the Fish and Wildlife Service will be spending on the Kesterson situation is requested as an appropriation to the Bureau of Reclamation. They will take that couple million dollars, I believe, and contract with the Fish and Wildlife Service to do some of the work. So we allocate that.

Then we go back to the OMB with their allocation. They, of course, say that is too much and start—we go back and forth, and they propose to cut some specific items, we argue that should not be done, and it is an iterative process.

BUREAU OF RECLAMATION FUNDING

Mr. YATES. Do you consciously prefer the Bureau of Reclamation over your other activities?

Secretary HODEL. No, I do not.

Mr. YATES. The reason I wondered is because I think you have construction projects of $576.8 million for the Bureau of Reclamation, and you are going $55 million over the 1986 appropriation, and I don't know that you are going over any appropriations for our budget.

Secretary HODEL. In the Park Service, we would for the operation of the Park Service, if we are successful with the fee proposal, we will increase by eight percent——

Mr. YATES. What if you don't get it?

Secretary **Hodel**. If we don't get it, we will be just under the proposal for this year. But we certainly hope we are successful with the fee proposal.

On the Bureau of Reclamation, so much of that construction budget is driven by past years' contracts. As I am sure, Mr. Chairman, you must have encountered this over the years, I can remember when I was at Bonneville, that building the Coulee third power house had me locked into the budget for the Bureau of Reclamation to the point it was siphoning all of the construction money out of everything else to finish that one project, and that is not unlike some of the issues we have before us.

You get to that certain point in construction, when it is a serious mistake to string the project out. You don't finish it, your costs keep going up, and you just sit there if you don't try to finish it and get it off your list.

The Reclamation outlay figures, I think, are fairly much on a down-trend line. The obligation figures also are on a down-trend line for the Bureau of Reclamation, which is consistent with the budget era we are living in.

WATER RATES FOR WESTLANDS, OTHER CONTRACTS

Mr. **Yates**. Is Interior seeking to make any increases in the price of water?

Secretary **Hodel**. In fact, we have been in a lawsuit at Westlands——

Mr. **Yates**. I know that. Tell us about it.

Secretary **Hodel**. Secretary Watt concluded the contract, which gave us the opportunity to seek a higher rate in that case. The contract was signed back in 1963, under President Kennedy. At that time, the Bureau of Reclamation thought the 44-year-old contract made sense to the year 2007 at a very favorable rate. Some circumstance led us to believe that we had the right to change the price upward, and we sought to do that, and we have been in court ever since, and enjoined.

We are trying to settle that lawsuit on terms more favorable to us than the existing contract, but, again, nothing in this area is easy, and Congressman Miller has been very hostile to that, because I think he would like the perfect contract, and we are in the middle of negotiations. We may not make that.

Mr. **Yates**. What about contracts of other projects? I believe you talked about Bonneville, and you talked about the California projects.

Secretary **Hodel**. We, as I understand it, have a policy now of seeking full cost recovery in new contracts or in old contracts that are renewed. And that would apply, I think, to any across the board. I know of no effort to extend low-priced contracts at the favorable prices that have existed in the past.

SALE OF POWER OPERATIONS

Mr. **Yates**. Does your budget propose to sell any of your existing power operations, like Bonneville or like Southwest Power?

Secretary **Hodel**. It is my understanding the Department of Energy budget does do that, Mr. Chairman, that the proposal——

Mr. YATES. Would you favor that? You have had experience at Bonneville.

Secretary HODEL. Mr. Chairman, I favored that while I was at Bonneville.

Mr. YATES. To turn it over to private ownership?

Secretary HODEL. I turned it over to regional ownership, and I never got far enough along to understand if it was public or private. I really thought a mixed ownership entity representing the public and private entities in Northwest would be the reasonable thing to do because I felt the regional control of that institution would be better.

But I must say that I could never even get beyond thinking about it because of the enormous institutional hurdles, the political hurdles. They are not economic, and they are not mechanical. The physical problems are simple, because we operate an extremely complex system out there, as you know. There are all kinds of interconnections between public, private, Federal, nonfederal. But, the fact is, it is an extremely difficult thing to do. But I think it would be desirable for the region, if it could be done appropriately.

EFFECT OF OIL PRICES ON SHARED REVENUES

Mr. YATES. Do you anticipate that, of the amounts of your various programs of income in which the states share, the income will be lower as a result of lower oil prices?

Secretary HODEL. Yes.

Mr. YATES. Should that be reflected as well in your fees, payments, and taxes? You are actually increasing it.

Secretary HODEL. I hadn't thought of it, and I suppose the reason is payment of taxes at the local level aren't set much in relationship to the value of what is happening. The current market conditions for oil and gas have a very, very slow effect on tax rates, and payment in lieu of taxes should look more like taxes than like revenues from oil and gas production.

As you know, the states and counties always argue the payment of taxes is a very small sum compared to what it ought to be. If the land were in private ownership, they argue, it would be bringing in much more than that. We can contest that from now until doomsday and not resolve it.

PROPOSED SUPPLEMENTAL

Mr. YATES. Do you propose to have a supplemental in the case of fire suppression and emergency fire needs as we have had in previous years?

Secretary HODEL. Yes.

Mr. YATES. That hasn't been requested yet, has it?

Secretary HODEL. It is in the budget, I am advised, Mr. Chairman.

Mr. YATES. Do you need a supplemental for your Office of Surface Mining, too?

Secretary HODEL. No.

Mr. YATES. Why do you not?

Secretary HODEL. May I refer to Mr. Itteilag?

Mr. **Yates**. Sure. Why do you not need a supplemental? Do you not need additional funds?

Mr. **Itteilag**. A supplemental related to operations is not needed——

Mr. **Yates**. You borrowed $11 million under Section 102 of the Appropriations Act, of our act, for surface mining. I wondered how you propose to repay it.

Mr. **Itteilag**. I do not recall borrowing money within the Office of Surface Mining.

Mr. **Yates**. Here is a letter from the Secretary of the Interior, dated July 30, 1985, signed by Ann McLaughlin, in which it is said, "Currently, OSM has obligated nearly $24 million for emergency projects in fiscal year 1985 to address earlier identified emergencies. This includes $11 million from OSM's fiscal year 1985 appropriations and $11 million expended under authority of Section 102 of our Appropriations Act."

Isn't that money to be repaid?

Mr. **Itteilag**. No, Mr. Chairman, that would not be our view. I believe that type of emergency doesn't require repayment.

AIR QUALITY/NUCLEAR WASTE STORAGE IN THE PARKS

Mr. **Yates**. Well, we will have to take that up with staff, then. They have a contrary opinion. Have you had called to your attention threats to the national parks through degradation of air quality by nuclear waste storage or intense energy development?

Secretary **Hodel**. I am aware that many superintendents have responded to inquiries about air quality in parks indicating more or less concern depending on where they are.

In the case of the nuclear waste siting, I have plainly stated, and publicly whenever the occasion has presented itself, that having been Secretary of Energy involved in the nuclear waste siting process, I was aware of the areas that were under consideration.

At one time, Davison Lavendar Canyon in Utah, outside Canyonlands National Park, was on the list. I think is still on the large list.

But I indicated both as Secretary of Energy and since then Secretary of the Interior that I would oppose placing a nuclear waste storage site adjacent to a national park—not because it represents any kind of hazard to the park, Mr. Chairman, but because I think it would embroil the nuclear waste storage program in a park-related conflict, which is simply not beneficial to either the parks or the nuclear waste storage program.

Mr. **Yates**. Should the National Park Service have the ability to monitor air quality?

Secretary **Hodel**. It does have the ability to monitor air quality.

Mr. **Yates**. Does it have adequate funding for the purpose?

Secretary **Hodel**. At the present time, I know of no reason for believing it does not. Monitoring the air quality in the technical sense, it seems to me, is part of a broader issue in which the superintendents are charged with total park protection. We have park protection plan, Mr. Chairman, which involves the superintendents in dealing with the whole array of things that constitute some kind of threat to or have an adverse effect on the park.

That would include air quality, visibility, pollution, overcrowding and mining next door, and so on.

My sense is that they have plenty of capability for dealing with those problems. Air quality doesn't seem to me to require any special treatment.

Overall air quality of a region, which affects a park, is something that is an EPA-type responsibility.

I'd prefer not to have the parks getting into that issue, but obviously if someone is going to do something upwind from a park, I expect the park superintendent to wade in if he thinks it has potential adverse impact.

GRIZZLY BEAR SITUATION

Mr. YATES. Is the grizzly bear situation still a problem?

Secretary HODEL. It is, and it probably will be in our lifetime.

Mr. YATES. How are you proposing to deal with it?

Secretary HODEL. To get to specifics, we will have to ask the Park Service, but we have a grizzly bear task force. It is trying to work out the very ticklish relationships between the areas needed for the bear and the areas needed for people using the national park.

In Yellowstone, this is particularly the case. We have quite a few grizzlies in western Montana, which would include Glacier National Park, and of course, in Alaska.

But in Yellowstone, you have a limited amount of habitat, and wherever you get interaction between grizzly bears and people you are likely to have a problem.

One of the things that is under serious discussion, and is hotly contested, is whether or not a particular campground called Fishing Bridge Campground should be shut down in order to provide for grizzly bear habitat.

Now, you can get strong telegrams on both sides of that issue, depending on which side you take.

It would be my judgment and my inclination, Mr. Chairman, ordinarily to rely upon the Park Service to make the judgment to the best of its ability. I should back the professionals who manage the Park Service and not say, with my layman's background, that I have enough knowledge or professional expertise to tell them what to do.

I have taken the same position on the matter of aircraft flying over the Grand Canyon. I have told the park superintendent there and the Director of the Park Service that I have to look to them—they manage the park and should make some judgment.

It is partly a subjective judgment.

CALIFORNIA CONDOR

Mr. YATES. Do you make decisions respecting the California condor, or do you leave that to the Service?

Secretary HODEL. In the case of the decision to pick them up, that was a Service decision. But I have said I will support professionals in the Fish and Wildlife Service. Very much the same attitude, again.

I thought about it in these terms, if I had done what some people had wanted me to do, I would have overridden the technical advice of my professionals, and if I had done that, I might just as well get some new professionals.

HUDSON RANCH—CONDOR ISSUE

Mr. YATES. Okay, what about the Hudson Ranch? Does that come before you, or do you leave that to your professionals?

Secretary HODEL. I am aware of the situation with the Hudson Ranch, because it is related to the condor issue, and it is my understanding that Assistant Secretary Bill Horn, has asked the Fish and Wildlife Service to seek a reappraisal of that ranch.

There has been a serious question in our mind as to whether the property is properly valued. It has got a very high value on it, Mr. Chairman. If you know the area and you know the restrictions on development, to assume the values that have been talked about to give credence to a development plan, that is probably not potentially likely to occur.

Mr. YATES. We encountered that, I think, at Sweeney Ridge some time ago. It started out on the basis of the development proposal, and they weren't allowed to have development.

I think the original appraisal we got was something like $22 million, and ultimately it was approved on a basis of $3 million.

Secretary HODEL. Mr. Chairman, then you understand what the source of our concern is. It is my understanding also that the Fish and Wildlife Service will be looking at whether the bulk of the land needed for the condor reintroduction could be acquired and leave some portion to the ownership, which would sharply reduce the cost further and accomplish the objective.

Mr. YATES. On the basis of the information you have, how important is the ranch to that—maybe we had better not say, because somebody may pick it up.

Secretary HODEL. Again, this is one of those things on which I think there is a deep-seated, honest difference of opinion among those people who profess to be experts.

You are talking about 15,000 to 20,000 acres in hundreds of thousands, millions of acres of habitat. It is hard to conceive this is uniquely the 15,000 to 20,000 acres that have to be acquired.

And yet, I must say my understanding is that if we could get what we think is a fair appraisal and a fair definition of the property, we would be inclined to try to acquire it.

CALIFORNIA MUD SLIDES

Mr. YATES. Is the Interior Department involved in any way with the present condition of the mud slides in California? We are told the Forest Service may be. The Forest Service may be because of the failure to resurface on the upper land, and water keeps pouring down.

Secretary HODEL. I don't know about mud slides, but precipitation has caused us problems, because the Bureau of Reclamation manages a number of flood control and other kinds of projects out there, and I am told several of those projects are taxed to capacity, and what happens is that when you get a big——

Mr. YATES. Your dams are full?

Secretary HODEL. They are getting full, and then what happens is now you have a full reservoir and you get tremendous snow pack, you don't know when that snow is going to come loose.

If it all comes at once, you have an uncontrollable flood. So, what you try to do is evacuate the reservoir. If you do that you will cause flooding downstream right now. The people down stream say, no, no, no, no, don't flood us, wait, maybe the snow will stay up here until June and we will all be okay.

This is one of those situations where you are darned if you do and darned if you don't. Every hydro, every dam——

Mr. YATES. Sort of like Ellis Island, isn't it?

Secretary HODEL. Of course. It is the nature of this Department, Mr. Chairman.

Mr. YATES. That is true.

What about the BLM forest lands?

Secretary HODEL. Now that you raise that question, I don't have an answer for you. We had a very bad fire season last summer, and we went out and did as much revegetation—not reforestation as much as revegetation—grass and so forth, as we could following that.

But I don't know how successful it was. In those areas that were burned last year, they are getting this tremendous rainfall. You are going to have mud slides and erosion problems that are unprecedented.

CONDITION OF DAMS

Mr. YATES. Do you have to worry about the condition of your dams as to whether or not they are safe?

Secretary HODEL. We have a dam—safety of dams program——

Mr. YATES. What about the dams that the National Park Service and the Fish and Wildlife Service have?

Secretary HODEL. I have had the impression, and I would like to be able to correct the record——

Mr. YATES. We have tried over the years——

Secretary HODEL. To get to them?

Mr. YATES. Yes, to ask and have information so we could put money in to protect the integrity of those dams so that people and property would not be hurt.

Secretary HODEL. It has been my impression that the safety of dams extended beyond the Bureau of Reclamation and Corps of Engineers, and either the Corps or Bureau supposedly was looking at all the dams, so we didn't have sudden catastrophic failures.

There is never a guarantee that no dam anywhere cannot fail in some circumstance, however.

BLM/FOREST SERVICE INTERCHANGE

Mr. YATES. Do you still favor the interchange between BLM and Forest Service lands?

Secretary HODEL. Yes, I do.

Mr. YATES. Can you tell us why?

Secretary HODEL. Yes. I think it will benefit the people of the regions that are affected. It will, over time, have a net economic benefit to the operation of the system.

As I have said many times, no one of us would manage our own personal affairs the way the government manages the public's affairs when it comes to the ownership and management of these lands. In some cases they are checkerboard, and it just does not make sense.

The proposal that will be before the Congress is about a little less than half as ambitious as the one that was initially put out for public comment last year, and I say that it speaks well of the public review process, because substantial changes have been made in order to accommodate, in some cases, economic concerns; in some cases, local agitation over the designation—whether it should be forest or what.

But I think what we have left is still very creditable, should be passed, and will have net savings and really be a benefit to the people who didn't even know who they were supposed to deal with.

They had two separate offices sometimes in the same community. They spend time there and find they belong down the road. That is not the way government ought to treat people in those areas.

Mr. YATES. Should we integrate them into one agency?

Secretary HODEL. That is a more ambitious proposal than the administration has made to date, Mr. Chairman. I could not fairly comment on that.

Mr. YATES. How will the interchange affect responsibility for leasing of minerals and monitoring of leases?

Secretary HODEL. It would give to the surface manager the responsibility for the subsurface leasing. This means that in those lands that are now Forest Service and which will remain Forest Service lands, the Forest Service will take on the subsurface leasing responsibility. For any new lands transferred from BLM the Forest Service would have mineral leasing responsibility. For any Forest Service lands on which we would take over the surface management, we would retain the subsurface leasing responsibility.

In other words, again, the individual citizen in that area going to Forest Service about activities on Forest Service land could expect to deal with one agency for mineral leasing rather than going to BLM to get a lease, and then going down the street to deal with the Forest Service in order to enter the property.

Mr. YATES. Mr. Regula.

Mr. REGULA. As I understand it, the Forest Service has a different grazing fee schedule than BLM. Won't the fee be grandfathered?

Mr. YATES. The Forest Service and the BLM are the only two that have the same grazing schedule. BIA does not, Fish and Wildlife Service does not, the Defense Department does not, and they charge a lot more money than Mr. Hodel.

Secretary HODEL. Per annual unit month. But the acreage under grazing, of course, is largely Forest Service and BLM, the largest areas. Of the total Federal acreage grazed, it would be overwhelmingly BLM and Forest Service.

I wasn't aware of any difference, I must say.

Mr. REGULA. Could the transfer contemplate any grandfathering of rights, or would it be pretty much a 100 percent transfer?

Secretary HODEL. In that area, I am not sure, but in the one area where we try to be very careful is with regard to such things as wilderness studies and wilderness designations.

I try to make plain we are not going to change the rules of the game in the middle. But that is to the best of my recollection. That proposal, I believe, came to the Hill this week and will be referred to committees for review.

Mr. REGULA. That is the Udall bill.

GRAZING FEES

Mr. YATES. Your comment about a private person would not handle his lands the same way as BLM and as Forest Service do, which move you to suggest the necessity for exchange, makes one wonder whether or not you would make the same comment with respect to grazing lease fees.

Would you handle it the same way if you were in charge of those lands?

Secretary HODEL. No.

Mr. YATES. You would get more money, wouldn't you? Yes?

Secretary HODEL. I think we would handle it quite differently across the board, Mr. Chairman. We would not impose the same kind of red tape. We would impose certain things upon our——

Mr. YATES. But you would be looking to receive what the market would bear, wouldn't you?

Secretary HODEL. That is right.

Mr. YATES. You don't do that now?

Secretary HODEL. No. Now we have a fee schedule based upon a statutory formula.

Mr. YATES. Do you want to continue, Mr. Secretary?

Secretary HODEL. The fee, of course, is set by statutory formula through the end of this year, and we have been through that.

Mr. YATES. Time and again.

Secretary HODEL. If we were managing this land, if we were a United States land company, we would not manage our land like we do at all. Among other things, private lessees of grazing lands often put up the fencing, they provide water, they provide some improvements to the land, and they charge a higher rate.

Mr. YATES. They do that on the Fish and Wildlife Service lands, too?

Secretary HODEL. These are people who lease it. I can get more money as a lessor if I will provide certain improvements.

Mr. YATES. Oh, yes.

Secretary HODEL. And I also may enter into a long-term lease, which improves its value to you. But in our case we have very restrictive rules.

Mr. YATES. You cannot envision a longer term lease than those that the grazing people get, can you?

Secretary HODEL. That they end up with.

Mr. YATES. Year after year, generation after generation.

Secretary **Hodel**. The Forest Service puts ski areas out on a one year permit—somebody who has a $25 or $30 million investment on lifts, on things he doesn't have more than a one-year lease on.

Mr. **Yates**. Why do they do it?

Secretary **Hodel**. There is objection to the Federal Government entering into a long-term contract like we have on our water contracts, because history tells us times change. We do not manage the lands in a businesslike way, Mr. Chairman.

Mr. **Yates**. Is that because of congressional pressure?

Secretary **Hodel**. I think it is because of the fact this is the public's business.

Mr. **Regula**. The western public's business.

Secretary **Hodel**. Well, it is also a lot of broader pressure than that, Mr. Regula. If you were managing the land or the Chairman were or I were, you would say there is no question we ought to do so and so.

Because it is the public's business, we can't do that. We can't make a change between the relationship of the BLM and the Forest Service without an extensive review process.

I am told we have situations where one of the objections was the mayor of the town owns the building in which one of the agencies has its offices—he doesn't want to see a combined agency, because he loses a tenant.

If you were a private owner, you would find that interesting, but I am going to do what I think makes economic sense. We don't have that kind of flexibility.

COAL LEASING REGULATIONS

Mr. **Yates**. Talking about coal leasing, are your regulations in place yet? Do the regulations which are in place contain the recommendations of the Linowes and OTA reports?

Secretary **Hodel**. I hesitate to say all of them. It is my understanding we have attempted to incorporate the Linowes Commission recommendations. I remember when I was here before we adopted some of their recommendations. I believe that was done after I left, also.

We are in the process of coming forward with an appropriate coal program which, if it is successful sometime in the next 12 to 24 months, we would begin a coal leasing program. In the meantime, we do not have one.

GRAZING SUBLEASING

Mr. **Yates**. What about the question of grazing subleasing? We had a provision in the bill, I think, that provided for the lessee turning over funds of the rental he received from a sublessee.

Secretary **Hodel**. I don't know what's been done.

Mr. **Yates**. Do you still permit subleases?

Secretary **Hodel**. I don't know.

Mr. **Yates**. We will ask BLM about that.

Secretary **Hodel**. Okay. It would seem to me, in principle, we ought to allow subleasing, and we ought to share in the excess proceeds.

Mr. **Yates**. Why should you allow subleasing?

Secretary HODEL. That would get you to the market quicker than any other single thing, Mr. Chairman.

Mr. YATES. Yes, but it doesn't benefit the United States.

Secretary HODEL. It would if we shared in the net proceeds—in the surplus proceeds.

Mr. YATES. You wouldn't get subleasing.

Secretary HODEL. If we took it all. But if we took a percentage of it, we might. Whereas, this way we can't raise our grazing fees.

Mr. YATES. Should your department suggest changes in the language that would enable us to take care of the question of subleasing?

Secretary HODEL. I don't know. I will have to inquire.

Mr. YATES. We ought to have it, shouldn't we?

Secretary HODEL. We ought to——

Mr. YATES. We ought to provide for sharing in the subleasing, shouldn't we?

Secretary HODEL. Yes. I think if you are going to permit subleasing, you ought to share in the excess return to the lessee, not take all of it, because then he has no incentive.

But if, through that process, we could first of all find a more efficient lessee who would use the land more wisely and therefore make it more profitable, pay a higher amount of money, we ought to do that, and we ought to share in improved proceeds. It would improve our revenues and benefit us all.

Mr. YATES. It would put them in the——

Secretary HODEL. In the real estate business. But it would encourage them, then, to seek the proper economic level of activity; whereas, today if you don't have subleasing, but these rights are attached to the ranch that they own and operate, they may be unwilling to risk jeopardizing them in any way.

Mr. YATES. What we really want is a grazing fee based on the market, isn't it?

Secretary HODEL. I don't know what our position will be, Mr. Chairman, to tell you the truth.

In principle, we ought to feel that way here. I just have to recognize this particular issue is so supercharged in the West that it has hung up the Congress for several decades, and it is not amenable to resolution by a Secretary of Interior desiring to do something different.

SIMULTANEOUS OIL AND GAS LEASING PROGRAM

Mr. YATES. What about SIMO? You are going forward with that program, are you not?

Secretary HODEL. I think we are trying to reach agreement with the Congress on a proposal. I don't believe we have any current simultaneous leasing program leases going forward.

Mr. YATES. Is that true?

Secretary HODEL. I believe that is correct. I believe we have been on stand-by.

Mr. YATES. For all your——

Secretary HODEL. Let me check. Does anybody know?

I am informed we do have some simultaneous leases.

Mr. **Yates**. Under what circumstances do you engage in simultaneous leasing?

Mr. **Hildebeidel**. I am Roger Hildebeidel, the Bureau of Land Management Budget Officer.

We are doing simultaneous leasing, under the normal circumstances of the program, as identified for this committee in the past by BLM Director Burford and others.

Mr. **Yates**. For all your territories?

Mr. **Hildebeidel**. I believe the overthrust belt areas are areas in which the committee had concern in the past, but there are lots of other areas where leasing is ongoing.

Mr. **Yates**. What do you mean by "overthrust"? Does that have definition?

Secretary **Hodel**. Have you defined the overthrust so that we know what the overthrust is when you talk of it?

Mr. **Hildebeidel**. It is more a term of art, I believe, than a specific definition, but the geologists and managers who run that program have a specific area in mind when they refer to the overthrust belt.

Secretary **Hodel**. They generally indicate what I think of as the Rocky Mountain Belt, because they are the surface manifestations of the plates sliding over each other and overthrusting.

It serpentines down, starts well up in Canada and serpentines down into Mexico through Wyoming, Utah, Colorado, and New Mexico.

Mr. **Yates**. In a letter to this committee last year, you said you are going forth with SIMO and said, "I want to assure you no parcels will be posed for a simultaneous drawing nor competitive leases, nor noncompetitive leases issued at Eglin Air Force Base or the overthrust of Wyoming."

Why do you limit it to the overthrust belt of Wyoming?

Secretary **Hodel**. I am sorry, I don't know.

Mr. **Yates**. Would your assistant know? Why was that limited to the overthrust belt of Wyoming? I understand you to say that you are not doing it in the overthrust. This letter says the overthrust belt of Wyoming.

Now, your answer would indicate they were not being leased, SIMO was not being pursued in any part of the overthrust.

Mr. **Hildebeidel**. I didn't mean to give that impression. I believe it is the Wyoming overthrust belt area that is of concern.

Mr. **Yates**. We were concerned with wherever SIMO operations take place, because you have got to show what the territory shows and whether or not you have a SIMO program.

I should have written back to you, Mr. Secretary, and asked why the overthrust of Wyoming, though that was the part at that particular time that was allegedly scandalous.

Secretary **Hodel**. Mr. Chairman, I think I have to say I would be happy to supply information for the record if there is something you would like, or when the Bureau of Land Management is before you, I am sure that——

Mr. **Yates**. We will ask them about that, but I think it is the Secretary's decision in this case as to where SIMO should be operating, but you go on to say, "until my review of this program is completed."

Secretary **Hodel**. And we have been dealing with the Congress in an effort to find out if there was, again, an agreed upon approach. As you know——

Mr. **Yates**. The phrase is "my review of this program is completed". Is your review of this program completed?

Secretary **Hodel**. If it is, I am not aware of it, sir. I will have to find out. I don't have an impression that we have reached a stopping point on Simo, that we are ready to come back and say this is our new position.

Mr. **Yates**. Let's talk about oil and gas leasing. Is there a new overall system for oil and gas leasing?

Secretary **Hodel**. I don't recognize it by that designation. That doesn't mean there isn't, but I don't recognize it by that designation.

Mr. **Yates**. On the question as to whether or not you will go to an all-competitive kind of program—SIMO, of course, is not competitive—what is your opinion on whether or not there should be an all-competitive basis for oil leasing and gas leasing?

Secretary **Hodel**. The position that we have been taking in the meetings with the congressional staffs of the interested senators and congressmen has been to propose that we have a one-time competitive sale with a fairly high, entry-level bid. The purpose is to make sure those areas thought to have oil and gas in them would be bid for competitively.

Once the lands have moved through that screen, then we could go back to a simultaneous bidding process for the unsold tracts. If somebody wants to take a flyer, so to speak, on an over-the-counter bid and wild cat, because he thinks he has a better idea about finding oil and gas, then fine.

As you know, there have been several problems with the existing program. One, is the concern about the misrepresentations made to potential buyers by private filing services. That is a problem we just will have to continue to live with as long as you have people out there trying to operate a filing service.

Second is we didn't make proper known geological structure determinations. A good KGS determination is critical, because, again, it isn't just a matter of what you think is a good geological structure; you have to know it.

There are certain rules applied to KGS determinations. We lost court cases we shouldn't have lost in terms of what was reasonable, but the bottom line is we could only designate certain areas as KGS's. And if we did, sales had to be competitive. Other areas we couldn't, designate as KGS's by the rules, and when they subsequently turned out to be valuable properties, we were criticized; and in some cases we failed to make the proper determination.

There is no question that in some cases these tracts ought to have been classified as within a KGS. That created problems with those people who didn't like the competitive bid aspect of it.

I think if the Congress agrees, everything will be put up on a competitive lease basis first, and thereafter what remains can be put up, basically, non-competitively. Whoever wants to come in and bid on it can do so.

That would be a reasonable way to proceed. It would give us an initial burst of revenue, but then there would be a rapid falling off, remembering that the fundamental concern of a government is different from a private land owner in that it is in the national interest to identify these resources and get them into the stream of economic development for the benefit of consumers.

Unlike the private land owner, who only gets bonuses, rents, and royalties, we also collect taxes.

So, if we make a big mistake and sell a hot property for too low a price, it enhances the purchaser's net return, enhances his profit, and we take a bigger share of that profit in taxes.

SECURITY OF SIMO COMPUTER SYSTEMS

Mr. YATES. Are you satisfied computer systems used in SIMO are secure?

Secretary HODEL. I am satisfied that people who are in charge of that system are concerned about security and are doing their best to see that it remains secure, and that satisfies me we are doing a reasonable job of security.

You can't watch the Mission Impossible-type television programs without coming away believing that there is a computer wizard out there somewhere who can sneak into your system.

I guess you are always concerned about it, but I have confidence they are doing the best they can.

Mr. REGULA. Will the Chairman yield?

Mr. YATES. Mr. Regula.

ELECTRONIC SURVEILLANCE IN THE PARKS

Mr. REGULA. Are you familiar with a column Jack Anderson wrote concerning bugs in the park?

Mr. YATES. Bugs in the park?

Mr. REGULA. Electronic bugs. Apparently, they are using surveillance devices in the parks as part of the security aparatus.

Secretary HODEL. Is this Yosemite?

Mr. REGULA. It didn't say.

Secretary HODEL. I am not familiar with the article. I am familiar there was an accusation made that——

Mr. REGULA. It is called, "Bugging the Great Outdoors." It goes to the security question.

Secretary HODEL. I had not seen this article, and—if I can read part of it: "The National Park Service used nine different electronic surveillance technologies to keep track of who does what in the 79-million acres under its control. These include radio scanners, miniature transmitters, night vision systems, vehicle tracks and satellites and hidden sensors."

Of course, some of these such as radio scanners are very much part of standard law enforcement activity. We use transmitters on some of our grizzly bears and wolves. This article doesn't say who they are on.

We have had a problem in BLM and park areas with marijuana growth and marijuana growers. One of the particular hazards there is that an innocent user of the park can find himself confronted by somebody who is armed and hostile and says, you have no business being here.

We have tried to deal with that. I do not know to what extent that accusation may relate to that.

Mr. **Regula**. I think the concern we have is, is there a policy to deal with the use of electronic surveillance, is there a policy that defines the perimeters in which you can use these types of surveillance?

You might want to answer that for the record.

Secretary **Hodel**. I will answer that for the record.

[The information follows:]

DEPARTMENT'S POLICY ON ELECTRONIC SURVEILLANCE

The Department's policy on electronic surveillance is as follows:

DEPARTMENT OF THE INTERIOR

DEPARTMENTAL MANUAL

Security | Part 446 Law Enforcement

Chapter 3 Records and Communications | 446 DM 3.5

3.5 Communications Other Than Telephone Conversations.

A. All bureaus and offices must, except in exigent circumstances as discussed below, obtain advance written authorization before using any mechanical, electronic, or other device to overhear, transmit, or record private communications without the consent of all parties to the communication. Such authorization is required before employing any such device, even if it is installed on premises under the control of the participants. (Also, see Chapter 8, Telephone Systems Handbook (377 DM))

B. The following information must be set forth in any request for authorization to intercept a verbal communication without the consent of all parties to the communication:

(1) Reasons for the Interception. The request must contain a reasonably detailed statement of the background and need for the interception.

(2) Offense. If an interception is for investigative purposes, the request must include a citation to the principal criminal statute involved.

(3) Danger. If an interception is for protection purposes, the request must explain the danger to the consenting party.

(4) Location of Devices. The request must state where the interception device will be hidden; i.e., on the person, in personal effects, or in a fixed location.

(5) Location of Interception. The request must specify the location and primary judicial district where the interception will take place. Interception authorization is not restricted to the original district. However, if the location of an interception changes, notice should be promptly given to the approving official. The record maintained on the request should reflect the location change.

(6) Time. The request must state the length of time needed for the interception. Initially, an authorization may be granted for up to 30 days from the day the interception is scheduled to begin. If there is need for continued interception, extensions for periods of up to 30 days may be granted. In special cases (e.g., "fencing" operations run by law enforcement officers), authorization for up to 60 days may be granted with similar extensions.

(7) Names. The request must give the names of persons, if known, whose communications the bureau or office expects to intercept, and the relation of such persons to the matter under investigation or to the need for the interception.

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Replaces 9/29/76 #1921

(8) Trial Attorney Approval. The request must state that the requesting party or his or her authorized representative has discussed the facts of the surveillance with the United States Attorney, an Assistant United States Attorney, an Organized Crime Strike Force Attorney for the district in which the surveillance will occur, or any previously designated Department of Justice attorney for a particular investigation, and that such attorney has stated that the surveillance is appropriate. Such statement may be made orally.

(9) Renewals. A request for renewal authority to intercept verbal communications must contain all the information required for an initial request. The renewal request must also refer to all previous authorizations and explain why an additional authorization is needed.

C. When a communicating party consents to the interception of his or her verbal communications, the device may be concealed on his or her person, in personal effects, or in a fixed location. Each bureau and office engaging in such consensual interceptions must ensure that the consenting party will be present at all times when the device is operating.

In addition, each bureau and office must ensure: (1) that no officer or person cooperating with the Government trespasses while installing a device in a fixed location, and (2) that as long as the device is installed in the fixed location, the premises remain under the control of the Government or of the consenting party.

3.6 Interceptions Where Written Department of Justice Approval is Required.

A. A request for authorization to intercept a verbal communication without the consent of all parties to the communication must be sent for approval to the Director of the Office of Enforcement Operations, Criminal Division, Department of Justice, when it is known that:

(1) the interception relates to an investigation of a member of Congress, a Federal judge, a member of Executive Branch at Executive Level IV or above, or a person who has served in such capacity within the previous two years;

(2) the interception relates to an investigation of any public official and the offense investigated is one involving bribery, conflict of interest, or extortion relating to the performance of his or her official duties;

(3) the interception relates to an investigation of a Federal law enforcement official;

(4) the consenting or nonconsenting person is a member of the diplomatic corps of a foreign country;

(5) the consenting or nonconsenting person is or has been a member of the Witness Security Program and that fact is known to the bureau or office involved or its officers;

(6) the consenting or nonconsenting person is in the custody of the Bureau of Prisons or the United States Marshals Service; or

(7) the Attorney General, Deputy Attorney General, Associate Attorney General, Assistant Attorney General for the Criminal Division, or the United States Attorney in the district where an investigation is being conducted has requested the bureau or office conducting the investigation to obtain prior written consent for making a consensual interception in a specific investigation.

B. Authority to engage in a consensual interception in situations set forth in 446 DM 3.6A may be given only by the Attorney General, the Deputy Attorney General, the Associate Attorney General, the Assistant Attorney General in charge of the Criminal Division, or the Director or Associate Director of the Criminal Division's Office of Enforcement Operations.

C. Even if the interception falls within one of the seven categories listed in paragraph A of this section, the procedures and rules outlined in sections 3.5 through 3.7 do not apply to:

(1) extraterritorial interceptions;

(2) foreign intelligence interceptions, including interceptions pursuant to the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. §1801, et sec.);

(3) interceptions pursuant to the court-authorizations procedures of Title III of the Omnibus Crime Control and Safe Streets Act of 1968, as amended (18 U.S.C. §2510, et sec.);

(4) routine Bureau of Prisons interceptions of verbal communications which are not attended by a justifiable expectation of privacy;

(5) interceptions of radio communications; and

(6) interceptions of telephone communications.

3.7 Investigations Where Written Department of Justice Approval Is Not Required.

A. In all other cases, approval of requests to intercept verbal communication may be given by the bureau or office head or a designated high-ranking supervisory official at headquarters level. Requests must contain all items required to obtain authorization as set forth above in 446 DM 3.5E, including Department of Justice attorney approval.

B. It is important that each request be received by the approving official in sufficient time prior to the intended monitoring so that adequate time for considering the request and for notifying the requesting bureau or office of the appropriate decision is assured.

It should be clearly understood that the use of consensual devices will not be authorized retrospectively.

C. If a request will not be received in sufficient time, or exigent circumstances preclude requesting authorization in advance of the monitoring--such as the imminent loss of essential evidence or a threat to the immediate safety of an officer or informant--emergency monitoring may be instituted under one of the following authorizations:

(1) If an interception requires Department of Justice approval, verbal requests may be made to the Director or Associate Director of the Office of Enforcement Operations, Department of Justice. Verbal requests must include all the information required for regular written requests. Such verbal requests should then be reduced to writing and submitted to the authorizing agency official after Department of Justice authorization has been obtained. During nonworking hours at the Department of Justice, verbal authorization for monitoring may be given by the Secretary, the Solicitor, or their designees. The authorizing agency official must then notify the Office of Enforcement Operations not later than five working days after the emergency authorization. The notification shall explain the emergency and shall contain the information required in 446 DM 3.5B.

(2) If a request does not require the Department of Justice approval, the bureau or office head, a designated high-ranking supervisory official at headquarters level, or their designees may verbally authorize the monitoring, if such official is satisfied that the specific conditions involved precluded the requesting party from making a written request for advance approval. The requesting party must submit a written notification to the official that authorized the monitoring not later than five days after the authorization is granted. The notification must state why advance authorization could not be obtained and must contain all the other items required to obtain authorization as set forth above in 446 DM 3.5B, including follow-up Department of Justice attorney authorization.

3.8 Telephone Conversations.

A. The monitoring of private conversation with the consent of one party to the conversation is permissible if one party to the conversation is a Federal law enforcement officer or one party is cooperating with a Federal law enforcement officer and has consented to the overhearing, transmitting, or recording of the conversation. The consent of all participants is not necessary. Additional policy and guidance regarding the listening-in or recording of telephone conversations is provided in Chapter 8 of the Telephone Systems Handbook (377 DM).

B. Bureaus and offices shall establish control procedures over monitoring of telephone conversations. Although the consent of all participants is not necessary, approval for such electronic surveillance or eavesdropping must be obtained from the bureau's chief law enforcement office or other designated law enforcement officers in nonexigent circumstances.

C. In exigent circumstances precluding request for authorization in advance from designated law enforcement officials, an agent may institute emergency monitoring.

The chief law enforcement officer or his/her designee shall be notified promptly of any such monitoring and of the specific condition that precluded obtaining advance approval.

NATIONAL WATER QUALITY ASSESSMENT PROGRAM

Mr. YATES. The geological survey water program. You are going to continue the national water quality assessment program initiated in FY 1986 but you are drastically reducing funding for water resources investigations from an appropriated level of $141 million in FY 1986 to a level of $124 million in FY 1987. In view of the tremendous potential problems we are uncovering with irrigation drainage, and with contaminated Superfund sites with drainage, can you justify such a large——

Secretary HODEL. I think so, Mr. Chairman.

Out of that total, there is a substantial amount yet to be allocated for research and studies on the contaminated sites. That is a broader study, and I think it boils down to a budget priority decision, but there is still a very substantial level of funding.

EARTH QUAKE MONITORING REDUCTION

Mr. YATES. I am trying to remember whether there were reductions in the budget for earthquake monitoring.

Mr. ITTEILAG. I believe there were, to some extent.

Mr. YATES. Does that make sense, Mr. Secretary, at this point, with all the earthquakes taking place and with the warnings the GS has been making about possible—I think they told this committee the probability, not possibility, that within the next 30 years there would be another tremendous earthquake in the California area?

Secretary HODEL. Mr. Chairman, Mr. Itteilag has handed me a document which indicates the earthquake hazards reduction program will drop from an estimate in FY 1986 of $34.3 million to $33.275 million in FY 1987, which is $1,057,000 reduction in the $34 million program.

It would be my assumption that that is well within the realm of what the program could tolerate. It is about a 3 percent—less than 3 percent reduction.

Mr. YATES. Is that in addition to the 4.3 percent reduction?

Secretary HODEL. That is in addition to the 4.3 percent. Put it this way. The appropriation for FY 1986 was $35.8; Gramm-Rudman-Hollings reduction was $1.5, bringing us down to $34.3.

So, a total is about $2.5 million, $2.6 million below the FY 1986 appropriation level, but only $1 million below the program level in FY 1986.

Again, having managed programs similar to this at Bonneville, I suspect what will happen is that the management will juggle and jockey and try to save those programs with the greatest potential, and all managers in the system are used to that.

That is the nature of the business.

LANDSLIDE HAZARDS REDUCTION

Mr. YATES. I notice that there is a $933,000 reduction in landslide hazards. Landslide process studies will be reduced.

Secretary HODEL. From an appropriation of $2.9 million, almost $3 million to——

Mr. **Yates**. I take it that figure was arrived at before the present situation in California.

Secretary **Hodel**. It could well be. I would suspect in this case the Geological Survey has surveyed these hazard areas. It may well be that the areas in California have long ago been met because they are generally known to be hazardous areas.

This is not prevention. When you get heavy rains in that area, you can have slides, and everybody knows that along that whole coast of California.

Mr. **Yates**. Well, do they not make recommendations as to what should be done to prevent the slides?

Secretary **Hodel**. They will. Take earthquakes. The Geological Survey has been active in the San Joaquin Valley with the San Andreas Fault, trying to provide information that enables them to make decisions as to how they want to proceed.

As you know, there is a substantial amount of building activities that have taken place on the San Andreas Fault. The Geological Survey says that is a hazardous thing to do.

And, of course, if something goes wrong some day, there will be a demand there be a federal assistance program.

BUDGET LANGUAGE ON NATIONAL WATER QUALITY ASSESSMENT PROGRAM

Mr. **Yates**. Do you write the material for the OMB budget?

Secretary **Hodel**. I do not. I hope our budget people try to help them, but I don't.

Mr. **Yates**. I would hope the contrary would be true, that they try to help your budget people. Because on page 5-47, our staff correctly points out that whoever drafted this is trying to take credit for a program Congress initiated last year.

"Reductions are proposed", it says, "for numerous lower priority program activities while a $3 million increase is proposed to initiate the development of a national water quality assessment," which we initiated last year.

Mr. **Itteilag**. That is correct, Mr. Chairman. That statement as made there is not accurate, not totally accurate.

Mr. **Yates**. Not accurate.

Mr. **Itteilag**. Not accurate.

Mr. **Yates**. After Mr. Regula and I worked so hard to put that together. Right, Ralph?

MMS/CALIFORNIA NEGOTIATIONS ON OCS LEASING

Minerals Management Service. How are you getting along with the California delegation? Mr. Regula is handling it for the committee, I take it. How are they getting along with the Secretary?

Mr. **Regula**. Just fine. I have your proxy.

Mr. **Yates**. That is correct. Up to today.

EXCLUSION OF AREAS FROM OCS LEASING

I suppose I ought to ask the Minerals Management Service about that, as to how areas are selected; you are excluding 15 sub-areas. How do you arrive at that?

Secretary **Hodel**. The 15 sub-areas are identified—a number of them were committed by me in the course of my travels along the California Coast last summer when I held 11 Town Hall meetings.

Mr. **Yates**. I think that is good. It would have been well, too, had MMS done the same throughout earlier years.

Secretary **Hodel**. Well, with all due respect, I think there has been a great deal of public input on these issues. We identified an area on the North side of the Aleutian Peninsula because we recognized that it was the main channel through which fish passage occurs. Rather than confront an issue, that area would be taken out.

We picked the Flower Garden Banks in the Gulf and said they would be out, the Florida middle ground and the monitor, which is a historic site. That is just a few tracts, but we identified areas that either had such high historic, cultural, scenic, or esthetic values that there is no point in trying to put them in, or had so little resources there was no point in trying to put them in, or a combination.

Big Sur, for instance. It has been thrown up to us for years that somehow we are threatening Big Sur, and I said "We will take Big Sur out, so that it is no longer a bone of contention." The fact is that the chances of areas of Big Sur drawing much attention in today's market is relatively slight. I don't mean to pretend that is a great concession on my part, but it is important to say we have tried to take out areas off that site.

We have also listed areas, like the Channel Islands, and Point Reyes, which is a statutory reserve. The reason for that is not because I thought I was giving something up, but because until I said that, I kept getting beaten over the head with it, "Why are you threatening Point Reyes?" Let's make plain we are not threatening. We identified those areas as part of the process and tried to take out areas that had been such bones of contention they jeopardized the entire program.

I am concerned about that OCS program. We are not able to move forward in a responsible way, and the country will some day dreadfully regret the inability to move in a responsible fashion.

FIFTEEN-MILE OCS BUFFER ZONE IN NORTH ATLANTIC

Mr. **Yates**. Are you considering the 15-mile buffer zone in the North Atlantic?

Secretary **Hodel**. We have asked for comments in this new proposed five-year plan on a 15-mile buffer area off the coast all the way from the North and South end of the Atlantic, all three Atlantic planning areas.

Mr. **Yates**. You have asked for comments on what?

Secretary **Hodel**. We have suggested that we would propose 15 miles and say "What do you think of that proposal?" Part of the reason being we have received quite a number of different proposals as to distances from shore, everything from three to 50 miles. So we said, "What if we came out with a 15-mile proposal, what is your reaction to that, what do you think the consequences are?" Mind you, we are asking not only those critical of the program, but those who are supporters of the program. We need to hear from the prospective explorers also as to what that does to their thinking and their plans.

Mr. YATES. That action isn't a violation of the Appropriations Committee statement or provision which says "No funds provided in this title may be expended by the Department of the Interior for the preparation for, or conduct of pre-leasing and leasing activities"?

Secretary HODEL. I would hope not, Mr. Chairman, because we cannot commence leasing activities except pursuant to a five-year plan. This is the drafting of a five-year plan.

GEORGES BANK/LEASING MORATORIUM AREAS

Mr. YATES. Is Georges Bank within the 15-mile area?

Secretary HODEL. I don't know.

Mr. YATES. Does somebody here know?

Secretary HODEL. We have some sales proposed in the new five-year plan which would be in the North and Central and Middle and South Atlantic regions, but it is my understanding we would not propose to go forward with any pre-lease activities on areas within the moratorium because the language of the moratorium on the East Coast expressly prohibits us taking pre-lease activities. Quite different from the language that existed on the California Coast, which prohibited sales but not pre-lease activities.

Mr. YATES. Well, now, Mr. Bettenberg told us the Government can't even study the area for potential leasing in Georges Bank. That is why I wondered whether it is within the 15-mile area.

In response to a question by Congressman Ratchford a few years ago, he said on pre-lease leasing, "My understanding, sir, is that it is again against the law to even think about leasing here." I assume that would state your judgment?

Secretary HODEL. Yes, it would. But it is my understanding the five-year plan process, which is not a lease sale activity directly, but rather is the planning process, does not contemplate our going into the moratorium areas.

Mr. YATES. Was there a reason why—according to this schedule——

Secretary HODEL. The schedule you have before you is the draft schedule from the proposed five-year plan?

Mr. YATES. Yes, but it shows a——

Secretary HODEL. Call for information.

Mr. YATES [continuing]. Request for interest.

Secretary HODEL. Request for interest—are you looking at the North Atlantic?

Mr. YATES. Yes.

Secretary HODEL. In June of 1986?

Mr. YATES. Yes.

But you are in a moratorium now, are you not, in this area. You are not going above Georges Bank, are you?

Secretary HODEL. It is my understanding not all of the North Atlantic planning area is included in the moratorium. This request would not include, because of the language that is used, could not——

Mr. YATES. Okay.

Secretary HODEL. Would affect the non-moratorium areas.

Mr. YATES. Let's turn to Florida, the subarea south of 26 degrees north latitude and east 82 degrees west longitude. Why was not that deleted from the five-year plan in accordance with the request by Governor Graham? I don't recognize it by that description itself.

Secretary HODEL. Is that the Southern end? No, Seagrass beds are excluded.

Mr. YATES. Here is the area. Staff is going to show you the area. That is just outside the National Park, isn't it, the Everglades? Governor Graham wants it out. Did you consider leaving it out?

Secretary HODEL. Yes, we considered leaving it out, and in the new five-year plan proposal, which is out for 90 days comment right now, that area—I have had handed to me the press release, I guess. The area which has been highlighted for further analysis in comments is the area south of 26 degrees north latitude and east of 82 degrees west longitude in the Miami diagram offshore Florida. We are asking for the basis of exclusion or inclusion.

Mr. YATES. Governor Graham testified before the Merchant Marine Committee on either April 3, June 26 or July 25, saying "Florida is disturbed that the eastern Gulf of Mexico planning area has been expanded to include both the areas south of 25 degrees north latitude to 24 degrees north latitude and east of 82 degrees west longitude. Because of the sensitivity of this area, current conditions and lack of environmental studies, this area should not be in the new leasing program."

Now, does your action assume or give the opportunity for presentation of environmental conditions that would proscribe that?

Secretary HODEL. Oh, yes. It also gives opportunity to hear from potential resource seekers. It is my view, Mr. Chairman, that excluding areas where we do not know anything is one of the least justified things a Secretary can do, because one of the advantages of leaving an area in is that we will do environmental analysis, we will receive environmental comments, as well as resource comments. If we exclude it, it is off limits for all practical purposes, and we blindfold America, and that is not what we ought to be doing.

It is foolhardy for us to do it just because today we have what appears to be a favorable situation in the world energy market.

Mr. YATES. Will the two-year pre-lease process be shortened in any way because of these sales?

Secretary HODEL. I am not aware that it is.

ACCELERATED LEASING PROGRAM

Mr. YATES. Under the accelerated leasing program.

Secretary HODEL. Oh, the accelerated leasing program. This is what we have done basically, we have slid into two categories, the annual sales in the Gulf and the once-every-three-year sales everywhere else, and we have reserved the right, we have attempted to reserve the right to shorten to two years—to an every-two-year basis on those that would otherwise be—my understanding is it would take two years to get the sale underway instead of three; however, that would be a one-year shortening. In the event of some changed circumstance, we have a series of conditions that need to be met.

Mr. YATES. I suppose I should ask Mr. Mott why he cancelled his speech in Florida, shouldn't I?

Secretary HODEL. Yes.

EVERGLADES WATER SUPPLY PROBLEM

Mr. YATES. I take it that the Assistant Secretary wants to save the Everglades? You are in favor of saving the Everglades?

Secretary HODEL. Yes, I am, as is Mr. Mott, Mr. Horn, I hope the entire department.

Mr. YATES. Are the Everglades in trouble?

Secretary HODEL. Yes. We have had grave concern about the Everglades and water supply for the Everglades.

Mr. YATES. Is there any way we can fix it up, the water supply to the Everglades?

Secretary HODEL. There are some proposals I heard of. I don't know definitively how good they are. Mr. Mott, I am sure, can comment on those or will have with him people who can, in some detail.

PROMPT ROYALTY PAYMENTS TO STATES

Mr. YATES. Have you looked into the question of the need for more timely royalty payments to the states for allottees?

Secretary HODEL. We formed a Royalty Management Advisory Council. The Royalty Management Advisory Council, consisting of a number of different users of the system, states, Indian tribes, and allottee representatives, try to alleviate the problems that exist.

We think we have made some progress. Computer systems are getting ready to go into place. We are hopeful they will speed up the process, but even then we still recognize that we have a hands-on, day-to-day obligation to stay in touch with those allottees and try to make it work. My understanding is that everybody is reasonably optimistic. That is too strong a word. Many are optimistic we may finally have this problem on the run.

Mr. YATES. Are there any allottees who are particularly deprived of timely receipt of their royalties, do you know?

Secretary HODEL. By, say, a certain group?

Mr. YATES. I wondered whether there are certain areas that are of special concern.

Secretary HODEL. My impression is that the problem with allottees is to some extent the changing ownerships, where an allottee assigns or sells his right or dies, and a new one comes in, the records have not kept pace.

To give you a feel for it——

Mr. YATES. Are you correcting those records?

Secretary HODEL. Constantly.

Mr. YATES. How far behind are you?

Secretary HODEL. I don't know. What we have got is a situation where 35,000 to 40,000 of the payees represent one to two percent of the total money in the system, and some of the checks are extremely small. They may not be very important to our system, they may be very important to the person receiving them, and our system has just not been adequate for getting it to them in a timely fashion.

Mr. **Yates**. Will the computers help?

Secretary **Hodel**. They are supposed to.

Mr. **Yates**. When will they be in operation?

Secretary **Hodel**. I think within four or five months now, which is a delay in the schedule from what it was supposed to be. We have had some words with the contractor over that.

Mr. **Yates**. The last word we have is that they won't be in operation until September of 1986. They are slipping.

Secretary **Hodel**. That would be six months.

Mr. **Yates**. You are going to check that out, aren't you, and see what happens?

Secretary **Hodel**. We are trying to stay on top of that, because of the importance to us.

APPROPRIATIONS COMMITTEES LEASING MORATORIUM

Mr. **Yates**. Before the Merchant Marine Subcommittee, you said this issuing a moratorium has been dealt with in the dark of the Appropriations Committee process, and it has not been brought to light by the authorizing committees or oversight committees. Do you want to expand on what you meant by that statement?

Secretary **Hodel**. Yes, sir. I had felt strongly that this was an important issue which affected the country. To deal with the substance of a program which has such a detailed statutory mandate and amend it, in effect, by the inclusion of language in the appropriation bill, without the opportunity for thorough discussion and airing of the issues—well, it encourages the kind of rhetoric you just quoted back to me.

Mr. **Yates**. Let me quote some more rhetoric. Mr. Hodel further stated "A more serious problem confronting the orderly process was the risk of another moratorium being imposed without the slightest regard for the consequences."

Secretary **Hodel**. Mr. Chairman——

Mr. **Yates**. But you know we had hearings last year on this, and we had many witnesses come in, and we would have welcomed you if you wanted to come in. I take it you just don't like the Appropriations Committee considering this, do you?

Secretary **Hodel**. Mr. Chairman, I don't like the result. I have no objection to the consideration——

Mr. **Yates**. I know the oil companies object to our even considering it. They say this isn't a fit subject for the Appropriations Committee. But would you like to make any comments now, now that we are in the light?

Secretary **Hodel**. Mr. Chairman, I would strongly urge that the Appropriations Committee not consider again a moratorium, that the correct solution lies in utilization of the statute that now exists, that to operate in the Appropriations process, which I think does not bring to the floor the full-fledged debate to a subject of this magnitude——

Mr. **Yates**. We always have full-fledged debate on this issue, especially in the committee. There is no question but that both sides of the moratorium question are represented in the discussion not only by the subcommittee and full committee, but on the floor of the House. The oil companies don't like the Appropriations Committee to consider it.

Secretary **Hodel**. Mr. Chairman, I am not taking my leads.

Mr. **Yates**. It is all subject to amendment.

Secretary **Hodel**. Mr. Chairman, it seems to me the 1978 OCS Lands Act amendment provides clear direction as to how we should proceed, but the process that has gone on is, in effect, a substantive amendment of that Act. If for four years, through language in the Appropriations Act we are not allowed to proceed with leasing, in some cases not even pre-leasing activities, in other cases not sales, depending on the words used, that is—for all intents and purposes—a substantive amendment of that 1978 Lands Act.

Mr. **Yates**. But it is, that is right. It goes to the Rules Committee as any legislation does. The Rules Committee decides whether, as legislation, it ought to be considered by the Congress. Well, it is a limitation at that. We don't even protect it with a rule. It goes to the floor——

Secretary **Hodel**. My sense is that it goes to the floor in the context that the Congress considers this as if it were just a one-year moratorium.

Mr. **Yates**. It is.

Secretary **Hodel**. And technically it is, but it begins to look permanent as it repeats itself year after year. If four years ago the committee had said "We will put in language that says for the next four years you may not," it might have seemed to have been too substantive of legislation to——

Mr. **Yates**. Wouldn't you like the Appropriations Committee to deal with the question of grazing fees? We can act pretty quickly. History has been you haven't been able to get grazing fees legislation through the Legislative Committee.

Secretary **Hodel**. And the problem, Mr. Chairman, on grazing fees is that there are a lot more substantive issues that have to be dealt with before the grazing fee level can be dealt with to accommodate all those interests out there. That is why it is properly a substantive legislative issue.

Mr. **Yates**. You should have sat in the full committee room last fall and heard Mr. Regula. He claimed so eloquently in opposition to the moratorium and carried the day. Didn't you carry the day? Yes, you carried the day overwhelmingly, by one vote.

Mr. **Regula**. Given the issue, that was overwhelmingly.

Mr. **Yates**. At any rate, we are delighted to see these statements, just as you are delighted to see Mr. Iacocca's statements today. His are sometimes as picturesque as yours.

Secretary **Hodel**. I have not generally been given, Mr. Chairman, to picturesque statements. As you know, it is my desire to keep a relatively low profile, but I have felt it is important to recognize that——

Mr. **Yates**. You have a job to do.

Secretary **Hodel**. It may seem like a one-year moratorium was expanding and becoming something much more extended.

Mr. **Yates**. I would guess the Executive Branch frequently would want to do away with the Congress.

Mr. **Regula**. And vice-versa.

Mr. YATES. And vice-versa.

But let's go on to the Office of Surface Mining.

Mr. REGULA. Mr. Chairman.

Mr. YATES. Mr. Regula.

Mr. REGULA. It does seem to me, though, the moratorium issue, since it is dealing with the OCS Lands Act, is very properly the jurisdiction of the Udall Committee.

Mr. YATES. Well, or the Merchant Marine and Fisheries.

Mr. REGULA. The committee of jurisdiction on the authorizing side.

Mr. YATES. Well, it is very properly their subject, but wouldn't you concede we don't operate in the dark?

Mr. REGULA. As a committee?

Mr. YATES. Yes.

Mr. REGULA. I concede that. Did somebody ever allude to the fact we did?

Mr. YATES. That is what the Secretary said, we operate in the dark.

Mr. REGULA. He meant on the information.

Mr. YATES. No, forget all the information. We have to inform him.

Mr. REGULA. He meant as a thoughtful committee, we had not had adequate testimony on that topic, which I would agree with; therefore, we were in the dark.

Mr. YATES. We had all the people in last year. Do you remember the outside witnesses that came in? You remember the Senator's testimony?

Mr. REGULA. Which one was that?

Secretary HODEL. One of the reasons why the Congress looks to the Executive and says "These are the standards by which you should proceed" is to help insulate from the individual obligation of a Congressman to veto activities in his district or off his coast. We lose that opportunity when each particular sale is presented to this committee or another committee for special consideration.

And if we throw ourselves back into a Committee of Jurisdiction position, we talk about what the process should be. I think the country is better served in that approach, and it is harder for special interests, then, to carve out special exceptions for themselves.

Mr. YATES. I wouldn't say that a moratorium serves any special interest, do you, unless it is the consumers, or the people who are in a particular area?

Mr. REGULA. Do I have to give my speech again?

Mr. YATES. No, you don't, Mr. Regula.

VOLUNTARY BUYER BLOCKING—COAL PURCHASE

Let's talk about voluntary buyer blocking, whereby major coal purchasers forgo purchases of coal from leasers. What reaction have you had to this provision?

Secretary HODEL. A great deal of resistance. It has not been put in place. This was a proposal out for comment and consideration. It has been objected to strenuously by many people in the industry. It is intriguing to contemplate what generates that. I think that honest producers, those seeking to comply with the law, are concerned that the list could be mistaken and if mistaken could do an enormous amount of damage to their credibility and relations with customers. Basically what it would be is a list of people not performing in accordance with the law and from whom, therefore, major consumers should not purchase.

One of the things that is making us hesitant about going forward with such a proposal is precisely that problem of assurance that we have named the right party and that they are, in fact, in violation. In principle, if we knew and could be confident that the list was accurate, it seems to me that the only persons disadvantaged by such a list would be those not in compliance with the law. That is a big "if", and I think it has to be resolved satisfactorily before we can go forward.

Mr. YATES. Is there any way of assuring the accuracy of such a list?

Secretary HODEL. I don't know. Unless we are satisfied there is, I don't think we can go forward, and I am particularly concerned, Mr. Chairman. I have seen the consequences to individuals of the Federal Government making announcements about findings that are catastrophic, and it turns out later the findings were incorrect. But then it is too late for the individual entrepreneur, who has been driven out of business by that announcement.

OSM/BLM APPROVAL OF COAL OPERATORS' MINE PLANS

Mr. YATES. Do you have to pass upon the question of turning over the operators' mine plans to BLM, or is that the Office of Surface Mining that settles that?

Secretary HODEL. I don't know. I don't know the answer.

Mr. YATES. Is that part of the management action plan that is being reviewed, and probably it is on a lower level than yours, I would think, at the moment?

Secretary HODEL. I am aware generally of the plan.

Mr. YATES. You haven't had it to review, though?

Secretary HODEL. No, and I probably would not review some of the details of that plan. But it is, as you know, out for extensive comment from all participants.

Mr. YATES. Yes, there is some controversy.

Secretary HODEL. Which is probably beneficial. By articulating that plan, I think the Office of Surface Mining Reclamation and Enforcement has done a useful thing, because it has attracted attention and comments on things that are probably going to be instituted sooner or later, and this way they can be straightened out first.

ASSISTANT SECRETARY GRILES

Mr. YATES. Your Assistant Secretary for Lands and Minerals Management, Mr. Griles, challenged the legality of the Surface Mining Act, before he became your assistant, as an employee of the State of Virginia. Is that same attitude reflected now that he is supposed to uphold the Surface Mining Act?

Secretary HODEL. No, I do not think so. Of course, Mr. Griles has now been confirmed by the United States Senate as Assistant Secretary for Land and Minerals Management, under which the Office of Surface Mining works. I don't know if he was subjected to questioning on that subject, but it wouldn't surprise me that he would have been. I, myself, had to consider that question in making the recommendation he be appointed, and I am satisfied that we all are capable in our lives of being in a position, in representing a particular constituency or be in a particular job where we are called upon to take one position. Then, placed in another position, now wearing the hat of enforcer, we plan to carry it out effectively. I believe he is in that mode, and everything I have seen would indicate that.

BIA JOHNSON-O'MALLEY PROGRAM

Mr. YATES. Let's talk about BIA. If the budget does not approve any funding for the Johnson-O'Malley program, you suggest Johnson-O'Malley be merged with the Title A program under the Department of Education, the Indian education program. Why is that a good idea? Is that your recommendation or BIA's? Did you approve it?

Secretary HODEL. I approved it, Mr. Chairman. I think that has been recommended for several years, or the last couple of years. It may not be correct. Staff is indicating not. But I have not——

Mr. YATES. Do you happen to know how much money will be made available under Johnson-O'Malley compared to the $23 million that was appropriated last year under——

Mr. ITTEILAG. $20 million.

Mr. YATES. A $3 million cut, then, under that new arrangement?

Mr. ITTEILAG. That is correct, Mr. Chairman, as compared to the appropriation.

Mr. YATES. What is the advantage of the merger of the two programs?

Mr. ITTEILAG. Mr. Chairman, my understanding is that one of the purposes, at least, behind this is that it would centralize in the Bureau of Indian Affairs monies for education that go to BIA-funded schools, whereas the Johnson-O'Malley goes to public schools, and that would be merged with other money in the Department of Education that follows that same route.

Mr. YATES. Is the money in the Department of Education that follows that same route proposed for schools based on the number of Indian students the schools have, as Johnson-O'Malley is?

Mr. ITTEILAG. That is my understanding, Mr. Chairman.

Mr. YATES. Will the same number of children be served as in the past?

Mr. ITTEILAG. That would be the intent.

Mr. YATES. I know that is the intent, but do you know whether that would be the fact?

Mr. ITTEILAG. The budget document indicates so, yes.

REFORESTATION OF INDIAN LANDS

Mr. YATES. Now you want to reduce the forest development program by 53 percent from the base. That is quite a cut. And the program includes the backlog of reforestation and timber stand improvements which we have been trying to eliminate over a ten-year period. We think that it is important the Indian forests be reforested if they are cut. Apparently this cut would come to a different conclusion, right?

Secretary Hodel. It sounds like it, Mr. Chairman.

Mr. Yates. That doesn't make sense, then, does it? Would you be in favor of reforestation of the Indian lands?

Secretary Hodel. Yes, but I don't know that this is the only source of funding for the reforestation and would like to provide that information for the record.

[The information follows:]

BIA FORESTRY PROGRAM

[Dollar amounts in million]

	1986 Adjusted for GRH	FY 1987 request	Percent change
Tribe/Agency forestry development and timber sales administration programs	$15.7	$23.5	+50
Centrally controlled:			
Forestry development	7.8	[1] 2.0	−74
Timber sale administration	5.5	([2])	−100
Central and Area staffs	1.8	[2] 2.9	+61
Total	$30.8	$28.4	−8

[1] For FY 1987 BIA transferred $4.3 million from the centrally controlled forestry development program into the Tribe/Agency forestry program.

[2] For 1987 BIA transferred $4.3 million into the Tribe/Agency forestry program and $1.4 million into central and area office staffs from the centrally controlled timber administration program.

Mr. Yates. I think it is. This is the base program, but what your budget officer might be suggesting is if this indeed is considered important by the Indian people, they will take some of the money out of their other programs and use it for reforestation, which I think is bad. You wouldn't want it taken out of the Indian health program, would you, for this purpose?

Secretary Hodel. My understanding is that we are trying increasingly to provide block grants to the tribes, I didn't know the health——

Mr. Yates. Health is in HHS.

Secretary Hodel. I didn't know with the block type program they would have that kind of flexibility.

Mr. Yates. Indian health faces a rescission request of $63 million, which is a pretty big cut.

LAND ACQUISITION RESCISSIONS

Do we have any rescissions or deferrals you have requested?

Secretary Hodel. Yes.

Mr. Yates. In what—land acquisition?

Secretary Hodel. $100 some million——

Mr. Yates. You don't want to buy any land?

Secretary Hodel. As I said yesterday in the Senate hearing, we are interested in acquiring land, but in the priorities that are before us in this budget cycle, it is hard for me to justify putting tens of millions more for land acquisition and having to try to find even more cuts in areas, be it BIA or other such human-related activities. We are, therefore, putting additional pressure on putting our priorities together for land acquisition. We talked about it earlier in this hearing.

INDIAN LANDS HAZARDOUS WASTE SITES SURVEY

Mr. YATES. The committee put in $315,000 for a survey of the hazardous waste sites on Indian lands last year. Now, there is no request for either further survey or for cleanup of identified sites. What is the status of that survey of hazardous waste sites?

Secretary HODEL. I don't know. I would be happy to supply that for the record.

Mr. YATES. All right, I wish you would.

[The information follows:]

INDIAN LANDS HAZARDOUS WASTE SITES SURVEY

There is one professional staff on board in the BIA Environmental Services Office whose primary duty is related to hazardous waste concerns and who is reviewing existing data to determine which sites should be included in the survey. Environmental Staff are working with the Bureau's Contracting office to determine the most efficient and least time consuming methods of soliciting for a contract to scientifically survey the suspected sites.

The major part of this survey will cover sites that have been identified from past questionnaire surveys. Actual soil and water samples will be taken to determine which sites are indeed hazardous waste sites, what hazards are involved, and their levels and extent. This information, together with identity of sites affecting humans and water supplies, will be used to prioritize for eventual cleanup.

At this time, there are no life or health threatening situations known to the Bureau. In the event any are discovered, the Bureau will address the need for emergency cleanup. Minor requirements could be provided by the programs most closely associated with the activity. However, in the event of more substantial requirements, the Bureau would consider funding alternatives within the budget process, as well as coordination with EPA on meeting such needs.

BIA LITIGATION SUPPORT

Mr. YATES. You also want to cut back $1,025,000 for litigation support. Does this mean the Indian people will not be able to meet court-ordered deadlines for information at the funding level requested? Does anyone know the answer to that? Should I ask BIA that question?

Secretary HODEL. What I am trying to find out is what percentage of the amount we have for litigation support that represents. It may reflect anticipated reduction in caseload, or it may simply be a budget imperative. I would like to provide that information for the record.

[The information follows:]

BIA LITIGATION SUPPORT AND WATER RESOURCES TRANSFERS

[Dollar amounts in millions]

	1986 Ajusted for GRH	FY 1987 request	Percent change
Litigation support	$5.1	$1.2	−76
Water rights	(3.0)	(—)	(−100)
Other	(2.1)	(1.2)	(−43)
Water rights negotiation and litigation support		10.4	+100
Water resources	8.8		−100
Water rights negotiation	(7.3)		
Other water resources development	(1.5)		
Total	$13.9	$11.6	−17

Note.—For FY 1987 those litigation support funds for water rights ($3.0 million) were transferred into a new program which combined funds used to support both negotiation and litigation of water rights issues. The FY 1987 request to support water rights issues is $10.4 million, $.1 million more than the amounts available in FY 1986 ($3.0 million under litigation support and $7.3 million under water resources). The reduction of $.9 in remaining litigation support funds reflects only non-water type litigation, e.g., property line and rights-of-way disputes.

Mr. **Yates**. Well, the committee acted reasonably logically last year. BIA testified that was the amount of money they needed in order to meet the deadlines, but they don't have it this year.

Do you want us to put it in over the budget this year?

Secretary **Hodel**. I am not requesting that, Mr. Chairman.

Mr. **Yates**. I know you are not. But if you were on this side of the table, what would you do?

SUPPORTING PRESIDENT'S BUDGET

Secretary **Hodel**. Mr. Chairman, if I were on that side of the table, I would support the President's budget in order to keep Gramm-Rudman-Hollings sequestration from having to come into effect.

Mr. Chairman, we submit this budget, as you know, setting forth our priorities on things. We recognize the committee and the Congress may very well have different priorities, and we recognize also that that results in a budget sometimes being passed which differs significantly from this submission.

It would be my hope that the budget level could be kept as close to this as possible in order to meet the deficit targets, and I would hope also as much of the priorities as we submit would be recognized by the committee, but I understand you might not see it that way.

Mr. **Yates**. Mr. Regula.

Mr. **Regula**. Mr. Secretary, if it were necessary that we, in reshaping the priorities, would want some advice, would you be free to suggest alternatives?

Mr. **Yates**. I don't think he is free to suggest alternatives. His last answer to my question shows he wasn't free to suggest alternatives.

Secretary **Hodel**. I can respond to questions, Mr. Regula, in which you ask me the consequences. I also say to my bureau heads, my people who come before the Congressional committees that I do not expect them to come before a committee and say that a particular program that they have supported for years that now has a reduction in it was a bad program and therefore should be cut because in the budget process it didn't rise above the priority of some other program. I expect them to be candid with the committee in that regard, and I think that is fair.

I also think that when we are asked, and I hope the people representing the department manifest this, if you say "What would the consequence be of cutting this item", we should tell you, and if a particular individual testifying were asked what his priorities would be if they were different from our budget, I would expect him to answer. Ultimately I have to be responsible for this budget, and I recognize I can't sever the priorities of all the people who serve in the department. I expect them to advise the committee when requests arise, and I would do so. I would be happy to do so to the extent I can identify things.

CONSTRUCTION MANAGEMENT PLAN

Mr. YATES. We are supposed to get a plan today on construction management.

Secretary HODEL. It is my understanding, yes, Mr. Chairman.

Mr. YATES. Will we receive it?

Secretary HODEL. I am sure if it is not here, it will be here before the close of business. This is as I understand it, pursuant to discussions which have been held with your staff and with you previously.

COMPACT OF FREE ASSOCIATION

Mr. YATES. Let's talk about territorial affairs now. What additional steps may be taken before the compact for the Federated States of Micronesia and Marshall Islands become operative?

Secretary HODEL. My impression, Mr. Chairman, is that the compact, since it has been approved and signed, is now operative in the legal sense and that we requested the monies in this budget, plus in FY 1986 a supplemental sufficient to fund that for those——

Mr. YATES. Do any steps remain to complete the process?

Secretary HODEL. It may be necessary for those two participants to acquiesce in the changes that were made—I am not sure what the status is on it—and inform the United Nations, and they would have to take some action on it.

COMPACT FOR PALAU

Mr. YATES. Do you have any plans for completing a compact for Palau?

Secretary HODEL. Yes, we are trying to do that also. In fact, my understanding is they are going to be holding a plebiscite shortly, and our budget reflects the current status as to Palau. We continue to ask for funds from the committee for carrying on our current relationship with Palau until the compact goes into effect with them.

CAPITOL CONSTRUCTION IN MICRONESIA

Mr. YATES. You don't ask the committee for any funds for the three capitols, as you agreed to do, for construction of the capitols for the three nations.

Secretary HODEL. I am informed that as part of the priorities in the budget setting process, we have not requested funds.

Mr. YATES. What happens then? Do the legislatures of the three countries meet out in the fields or in the water, or what?

Secretary HODEL. I don't have any answer to that, Mr. Chairman. I assume that they meet now in some facility, presumably not adequate, but in some facility.

Mr. YATES. Should funds be included for that?

Secretary HODEL. We are not asking for funds. If the funds are included for that, we will presumably have to find other items which we would seek to reduce, which appear to us to be of higher priority.

Mr. YATES. Shouldn't we launch these new nations with appropriate capitols if we agree to do it?

Secretary HODEL. We are requesting nearly $270 million in a supplemental, which is a very significant request, as part of our compact——

Mr. YATES. You think they can build a capitol out of that money?

Secretary HODEL. I don't believe there is money in there recommended for capitols. It is for other elements of the changeover.

AGREEMENT ON BIKINI REHABILITATION

Mr. YATES. What about the Bikini rehabilitation effort? There are no budget funds for that. Is the administration through with that one?

Secretary HODEL. Mr. Chairman, I don't know. I would have to submit that for the record, if I may.

Mr. YATES. I have the impression that when the lawsuit filed by the Bikinians was settled last year, the Government agreed to provide for rehabilitation and return of the people to Bikini. Do none of your staff here know about that?

Secretary HODEL. None of my staff——

Mr. YATES. Are you a member of that, Mr. Gorrell?

Mr. GORRELL. No.

Mr. YATES. I thought between them, they would know everything.

Mr. ITTEILAG. I wish that were true. There is an authorization in the compact for Bikini rehabilitation we have not funded——

Mr. YATES. Wasn't there an agreement in connection with the lawsuit settlement that you would fund it?

Mr. ITTEILAG. I am not sure of that, Mr. Chairman.

Mr. YATES. The government agreed to do it, and the Bikinians dismissed their lawsuit.

Secretary HODEL. May I submit for the record the full response on that question, Mr. Chairman?

Mr. YATES. Sure.

[The information follows:]

BIKINI RESETTLEMENT

Under the terms of the settlement of March 13, 1985, signed by Jonathan M. Weisgall on behalf of the people of Bikini and Stephen E. Hart on behalf of the United States, Article I, Section 2, provides that, "The United States shall provide funds, pursuant to Article VI of the Compact Section 177 agreement, to assist the people of Bikini in their resettlement of Bikini Atoll."

The Settlement agreement also states, "The United States will not be in a position to implement Article VI of the Compact Section 177 Agreement, or the intention of this section, unless and until the following events have taken place:

a. the submission of a final report to the Congress of the United States by the Bikini Atoll Rehabilitation Committee;

b. the acceptance by the people of Bikini of the final report and conclusions of the Bikini Atoll Rehabilitation Committee;

c. the development of a plan by the United States, in consultation with the people of Bikini, for the use of funds to be provided by the United States for the resettlement of Bikini Atoll by the United States in accordance with Article VI of the Compact Section 177 agreement and approval of the plan by the people of Bikini in the context of their agreement to resettle Bikini Atoll. This plan shall, to the maximum extent relevant and practicable, incorporate material from the final report of the Bikini Atoll Rehabilitation Committee, and the United States shall expeditiously complete the plan following submission of a final report to the Congress of the United States by the Bikini Atoll Rehabilitation Committee."

To date, none of these conditions of the settlement agreement have been met.

Secretary Hodel. It seems to me it is one that merits a better answer than we will get here right now.

Mr. Yates. Well, do you have anything to add? I should ask you the overall question. Will the budget that Interior has submitted provide adequate funds to carry on your responsibilities do you think?

Secretary Hodel. Mr. Chairman, I think it will.

Mr. Yates. Should it have more money in any other respects?

Secretary Hodel. Mr. Chairman, we could always spend more money, and I suspect the theory is we could use more money, but I couldn't in good conscience ask for more money, and we had talked about that earlier. I think this is a responsible budget in these difficult budget times and circumstances, and I appreciate, as I have said earlier, we may not share identical priorities, but I hope it is apparent we have tried in good faith to present a budget which does not turn our back on our responsibilities overall.

Mr. Yates. I tell you, you brought light to a dark process. We appreciate very much your testimony. Thank you, Mr. Secretary.

Secretary Hodel. Thank you for your courtesy.

Mr. Yates. There will be questions for the record.

[The information follows:]

Coal Leasing

Question: Please review for the Subcommittee the status of your deliberation on the continuation of a coal leasing program. What are the pros and cons of continuing a regional coal leasing program?

Answer: The Secretary announced his decision to continue the coal leasing program with revised procedures February 26, 1986.

The arguments for continuing a regional coal leasing program include the following:

1. Regional coal leasing program provides the opportunity for the Department to respond in a timely manner to changes in market conditions from a national or regional perspective by shifting from regional coal leasing to leasing by application or vice versa, as necessary and appropriate. Without a full leasing program on line, delays of several years could occur between the need to lease and having the program with which to lease.
2. The regional coal leasing program provides a full analysis of the cumulative effects of leasing a number of tracts in a coal production region by automatically requiring the preparation of an EIS, regardless of the number, location or characteristics of the tracts being studied for potential lease offering.
3. Regional coal leasing provides the maximum opportunity for State governments and the public to participate in pre-leasing considerations, thus increasing the likelihood of State and local acceptance of the resulting coal leasing decisions.
4. Regional coal leasing allows the Department, with the help of industry and the public, to identify areas to be given priority for leasing.
5. The Governors of Wyoming and Utah specifically supported regional coal leasing in their comments on the draft EIS Supplement. In a letter to Representative Udall, Governor Herschler, on behalf of the other Western State Governors, supported the use of Federal-State regional coal teams (RCT's) in the regional coal leasing program.
6. Important aspects of regional coal leasing management are delegated to the RCT's, giving a flexible and decentralized approach to the management of Federal coal leasing.

The arguments against continuing a regional coal leasing program include the following:

1. As found by the Office of Technology Assessment, the complexity of regional coal leasing with its many opportunities for public participation makes it more difficult for the public and industry to understand and participate in the program effectively.
2. The administrative complexity of regional coal leasing is costly as measured in Federal expenditures and manpower and the time consumed by the process. (However, it is not costly to have the program on line, but inactive in a region.)

3. Though not as strongly as in earlier versions of the program, decisionmaking authority on the leasing level and the sale schedule remain at the Departmental level instead of at the field level, contrary to the Department's policy of decentralizing decisionmaking.

4. Regional coal leasing continues the controversy concerning the Federal coal leasing program in that there will be the appearance of a "big" leasing program in the face of little current perceived need for leasing.

Question: What are the recommendations in the Final Environmental Impact Statement? What changes have been (or will be) made in the program as a result of those reports?

Answer: The Final Environmental Impact Statement Supplement (FEISS) makes no recommendations, per se. Rather, the FEISS identifies a proposed action and several alternatives. The proposed action is the existing program, as modified by changes recommended in the Linowes Commission and Office of Technology Assessment reports and in the Department's comprehensive review of the Federal coal leasing program.

The proposed action has been adopted as the most efficient and effective means of implementing and managing a Federal coal leasing program. It reflects changes in several areas. The way in which BLM will gather data and apply the unsuitability criteria in land use planning is revised, and data adequacy is tested. A three-tiered market analysis will be used to evaluate market conditions before regional activity planning begins to establish a leasing level and, later, to estimate pre-sale market conditions. The Department will also ensure that adequate data are available to evaluate environmental impacts and to determine fair market value. Tract delineation procedures have been strengthened to ensure delineation of highest value tracts in the activity planning process.

The regional coal teams and the Federal/State Coal Advisory Board will have a greater voice in setting the pace and the amount of Federal leasing. Continued State participation in RCT deliberations is critical to establishing a strong Federal/State relationship in the coal leasing process. The public participation role is also enhanced in the revised program; public comment opportunities will be publicized and new comment periods added. Appraisal methods are standardized and will be used by trained, qualified appraisal teams. Appraisal security is enhanced. Lease sale procedures also have been strengthened to protect proprietary information and to ensure that the Government receives fair market value for Federal coal leases. Finally, policies and procedures for fee coal exchanges are revised to ensure that these exchanges are only made when they are determined to be in the public interest.

Question: Will your regulations allow the National Park Service the opportunity to review potential sale areas to determine early on if there will be conflicts with the Park Service?

Answer: Yes. The land use planning regulations currently call for consultation with surface management agencies that may be affected by BLM's land use planning decisions. In addition, revisions to the coal leasing regulations will be proposed to strengthen the consultation requirements with other surface management agencies, including the National Park Service, to ensure that the purposes and values of those agencies are considered and incorporated into land use decisions. During land use planning, these consultations will aid BLM in determining which lands are to be considered further for coal leasing in the subsequent activity planning process. The coal leasing regulations provide Federal and State agencies, such as the National Park Service, with the opportunity to participate in regional activity planning as non-voting members of the regional coal teams (RCT's), or to provide information as appropriate to the RCT's to ensure that the concerns of these agencies are considered by the RCT's in their decisionmaking process.

Question: How might changes in diligence requirements affect a leasing decision? What changes are being contemplated?

Answer: Current diligence requirements were established by the Federal Coal Leasing Amendments Act (FCLAA) of 1976, as amended (codified at 43 CFR 3480). These regulations require that any Federal coal lease that is issued after enactment of FCLAA be subject to FCLAA diligence (i.e., production obligations). FCLAA also requires that these same diligence requirements be imposed on any Federal coal lease made subject to FCLAA by post-FCLAA readjustment or modification to add acreage and/or reserves. Production obligations require that the lease produce in commercial quantities at the end of 10 years or be terminated by law. If the lease has achieved this production obligation, after the tenth year the lease must produce in commercial quantities annually or pay advance royalty in lieu thereof. FCLAA also bars companies that have failed to meet diligence requirements from obtaining leases.

There are six bills that have been introduced in Congress that would delete or amend various provisions of Section 7 of the Mineral Leasing Act of 1920, as amended by Section 6 of FCLAA. We have identified those provisions of the bills that we could support in formal comments to the Committee. We discussed those provisions in testimony before the House Interior Subcommittee on Mining and Natural Resources on June 4, 1985, and before the Senate Energy Subcommittee on Natural Resources Development and Production on November 8, 1985. During our review of the proposed bills, we identified those portions of our Federal Coal Management Regulations and the Section 7 Field Implementation Guidelines that would have to be revised, depending on which version of the legislation might be enacted.

Basic choices facing current leaseholders under current law include the following:

1. Attempting to mine at a rate sufficient to meet diligence;
2. Reassignment (sale) of the lease to another party; and
3. Relinquishment of the lease back to the Federal Government.

Oil and Gas Leasing Systems

Question: What type of an overall system would you as Secretary of Interior recommend for oil and gas leasing?

Answer: I believe that an onshore leasing system must make environmentally acceptable lands available for exploration and development, give an adequate return to the public for its resource, and be capable of being administered. The ability of the current leasing system to meet these goals has been questioned. I believe that the geologic basis (KGS) now used to determine what lands should be leased competitively should be replaced by a market basis. This market basis should be a minimum acceptable bonus bid set by Congress. All environmentally acceptable lands should be tested against this minimum bid — those lands which receive bids at or in excess of this level should be leased without further evaluation to the high bidder while those which do not should be leased through noncompetitive means. This system has two major benefits: (1) those lands which are perceived to have value above the Congressionally set minimum acceptable bid level will be leased competitively with the associated bonus revenues shared with the States, and (2) those lands with lower perceived value will remain available for lease with almost no up-front payment so that "wildcatters" can continue their search for oil and gas in less popular areas, possibly resulting in discoveries and associated royalty payments. I believe this two-part approach not only will increase potential oil and gas development from Federal Lands but also will increase revenues. Finally, this system will be easier to administer than the current one dependent upon KGS classifications.

Question: What kind of economic evaluations would you suggest be done? How would this differ from OCS evaluations?

Answer: The basis of the oil and gas leasing system described above is the economic marketplace. I do not believe further evaluation is necessary once the "market has spoken." Unlike the large OCS lease blocks with their $150 per acre minimum bid, onshore oil and gas leases are small, averaging 1,500 acres, with few expected to elicit bids greatly in excess of the minimum. Recent competitive sales by the State of Wyoming demonstrate the relatively low value of most onshore lands for oil and gas. The leases which are leased competitively, however, will be subjected to public scrutiny through the fact that we plan to announce that someone has made an offer at the minimum, to leave sufficient time for others to evaluate the lands and to allow others to participate in a follow-up oral sale. Under these conditions, I believe an evaluation by the government would be redundant.

As regards the noncompetitive lands, the market will have "capped" their value; and the benefit of any further evaluation will be to assure us that the sum of the application fees does not greatly understate our evaluation. Our experience has been that on low value tracts, the simultaneous offer system generates more money per acre than equivalent competitive sales. Consequently, in this instance I also believe government economic evaluation to be redundant and unnecessary.

Insofar as the OCS evaluations are concerned, I believe that these are necessary because these sales are sealed bid sales with no opportunity for the market to react to the information contained in the bids. Under these circumstances, the prudent steward "verifies" that he is receiving sufficient payment prior to granting the lease.

Outer Continental Shelf Lands

Question: In FY 1985, a discussion was held with Secretary Clark and Mr. Bettenberg regarding what could be done in Georges Bank in respect to the moratoria area. On March 1, 1984, Mr. Bettenberg stated, "In the case of Georges Bank . . . that sale (1986 sale) would not be able to offer anything that is in the current prohibition, because of the fact that the prohibition says that the Government can't even study the area for potential leasing." (v. 6. p. 185). The moratoria language has not changed since that hearing, why then does the Department believe it can go ahead with a "request for interest?" Is there a Solicitor's opinion on this issue?

Answer: Interior Department attorneys have examined this question, although there is no written opinion on exactly this question. If we issue a Request for Interest regarding Sale 96, North Atlantic, we would have to exclude from the request the area under congressional moratorium.

Question: What information will persuade you to delete additional areas from the 5-year plan?

Answer: Fifteen subareas were deferred from leasing in the proposed 5-year program in order to focus better on areas of resource potential most likely to lead to exploration. The decision to defer leasing in those subareas grew out of the results of the consultation process for developing the 5-year program set forth by Section 18 of the Outer Continental Shelf Lands Act. There is no simple formula for reaching such a decision. Decisions on subarea deferrals must be approached on a case-by-case basis and must reflect the results of the consultation process. Public comment has been requested on an additional thirteen subareas and the analysis and review of those comments will determine whether additional areas are to be deferred.

Royalty Management Computer Access

Question: Funding was provided in FY 1986 to purchase equipment for States and Indian tribes to provide them with access to the Royalty Management Program (RMP) computer system. Which States and Indian tribes will have this equipment in an operational mode by FY 1987?

Answer: The following list of States and Indian Tribes have signed Memorandums of Understanding (MOU's) indicating their intention to participate on the States and Tribal Support System (STATSS), which should be in an operational mode by FY 1987.

- Alaska
- California
- Colorado
- Montana
- New Mexico
- North Dakota
- Oklahoma
- Utah
- Wyoming

- Arapaho
- Assiniboine and Sioux (Fort Peck Tribes)
- Blackfeet
- Cheyenne - Arapaho
- Navajo
- Northerh Ute
- Shoshone
- Southern Ute
- Ute (Mountain Ute)

Other potential users have indicated that they may be interested in participating in STATSS and have requested that MOU's be sent to them; therefore, the following State and Indian Tribe may be in an operational mode by FY 1987.

- Nevada
- Jicarilla Apache

Mine Plan Review

Question: The Management Action Plan proposed that authority to approve coal operator's mine plans be turned over to the Bureau of Land Management. Where is the staff currently approving coal operators' mine plans located?

Answer: Mine plans are currently approved by the Assistant Secretary, Lands and Minerals Management, Department of the Interior. Approval is based on the OSMRE Director's recommendations after review by OSMRE's Western Technical Center and Headquarters staff.

Question: On what basis was it concluded that BLM had the capability or expertise to take over this work?

Answer: The November 1985, advanced draft of OSMRE's Management Action Plan (MAP) contained a preliminary proposal for delegation of authority to approve mine plans to the Bureau of Land Management's State Directors. The purpose of the proposal was to elicit comment on this approach to streamline mine plan approval by eliminating the review of mine plans in Washington. The proposal assumed continued OSMRE technical support in the field and that BLM had the necessary capability to decide individual cases. However, the recommendation has since been withdrawn from the MAP.

Question: Since SMCRA does not allow delegation of this responsibility to the Director of OSM why is it felt that the BLM State Director has this authority?

Answer: Approval of mine plans is a coal resource development decision for which OSMRE is specifically precluded under SMCRA. BLM is not responsible for SMCRA enforcement and delegation of this responsibility was considered appropriate.

Question: Why isn't there a potential conflict of interest if BLM is given this authority and BLM maintains its present role in coal leasing?

Answer: The conflict for OSMRE arises directly from its implementing statute, SMCRA, which specifically prohibits its involvement in the promotion of coal production. A principal aim of coal leasing, BLM's responsibility under the Mineral Leasing Act, is to encourage efficient coal resource production on Federal lands. Mine plan approval involves resource recovery and production planning which is compatible with BLM's responsibilities.

Question: What comments has OSMRE received on this initiative?

Answer: The proposal received extensive comments both for and against. Those who supported the recommendation felt that not only would the delegation accomplish the desired objective but it would also place decisionmaking closer to the parties most affected by the decision. The comments against the recommendation stressed the problems with implementing it, namely that the Bureau of Land Management would require technical support staff at many State offices as opposed to the consolidated review staff that presently exists in Washington.

Question: How is interagency coordination between OSM and BLM envisioned? On what basis has it been concluded that this approach would be more "streamlined"?

Answer: As noted above, the recommendation to delegate authority for mine plan approval to BLM State Directors has been withdrawn. Initially, it was anticipated that delegating approval for mine plans to BLM State Directors would expedite the process. Washington review of mine plans was found to take an average of 3 weeks. The purpose of this approach was to streamline mine plan approval by eliminating the Washington review of mine plans.

Decentralization

Question: The OSMRE Fiscal Year budget request and the Management Action Plan propose to decentralize some decisions from headquarters to the field offices. How does this initiative provide for better implementation of the Surface Mining Control and Reclamation Act of 1977?

Answer: OSMRE's current efforts to realign certain agency functions are aimed at providing an organizational framework through which program objectives and actions and administrative services to OSMRE employees can be effectively and efficiently provided. The primary objectives of the realignment are to provide: oversight and day-to-day coordination and support to State regulatory authorities from the geographically closest element of OSMRE; overall policy and programmatic direction from Headquarters; and technical support to field offices from the technical centers. OSMRE believes that the decentralization of certain functions from Headquarters to field office and technical center locations will provide improved and accessible services to State agencies and OSMRE field offices and will improve implementation of SMCRA.

Oversight

Question: The Management Action Plan also proposes a "graduated Federal oversight approach" which would involve a diminished Federal role in States with superior performance and a greater Federal role in States with poorer performance. How does such an approach not violate the provision in the Surface Mining Act requiring Federal inspections to ensure compliance with the Act?

Answer: This initiative would not violate the provisions of SMCRA. Under the Act, OSMRE is required to conduct sufficient inspections of coal mining operations to ensure whether the State is in compliance with SMCRA. However, the total number of inspections per State can vary according to how well each State performs under the Act, since performance can indicate the level of effort needed to verify compliance. Therefore, it is sound management to base inspection activity on performance, since this allows for resources to be concentrated in areas experiencing problems.

Question: How does this approach ensure adequate State enforcement?

Answer: OSMRE's responsibility is to ensure compliance with the Act. The resources available to meet this objective are not unlimited; therefore, our goal is to direct the resources to problems or to States that are not meeting their primacy responsibilities.

States that demonstrate superior performance derive the benefit of reduced Federal oversight. The reduced oversight allows OSMRE to concentrate its organizational resources in States that have demonstrated program deficiencies. This approach is expected to motivate States to improve performance and thereby reduce Federal presence in their activities.

Conversely, it should be noted that the reverse is true. Should the State demonstrate poor performance, the level of Federal oversight will increase commensurate with the problem. This graduated response facilitates efficient allocation of OSMRE resources to place the greatest emphasis where problems occur.

Applicant Violator System

Question: In compliance with Judge Parker's order OSMRE awarded a contract for a new applicant/violator computer system on November 29, 1985. What is the status of the development of this system?

Answer: The development of the AVS is proceeding according to schedule. Design of this system by the contractor is presently underway; collection of permit data is scheduled to start in late March. The system will become operational in stages beginning in August 1986.

Question: According to the Parker Order, the applicant violator system must be operational by February 1987. Will this deadline be met?

Answer: The contractor is on schedule and the February 1, 1987 date for full implementation of the system is realistic and attainable.

Question: What are the major milestones leading up to the accomplishment of this deadline?

Answer: The major milestones for the system are:

System Design - Underway -- to be completed by April 1986

Data Collection - Start in March 1986; complete by December 1986

System Testing - Start in June 1986

System Operation - Start in August 1986

Full System Implementation - February 1987

Question: How will this system be expanded to achieve an overall OSMRE data system?

Answer: AVS when fully operational will function in an environment compatible with other OSMRE data systems. In the 1988-89 timeframe, OSMRE intends to combine all these systems into a single, integrated data management system of which AVS will be the core.

Question: Discuss how the coordination of this system with the States is taking place in order to comply with the Fiscal Year 1986 appropriations language.

Answer: OSMRE has developed a close working relationship with the States on the implementation of AVS. Under the sponsorship of the Interstate Mining Compact Commission (IMCC), a State ad hoc committee has been establised to monitor the development of the AVS and review the system as it proceeds from stage to stage. Three meetings have been held with the Ad Hoc Committee to date and frequent meetings are scheduled throughout the development period. All States have been provided with draft memorandum of understanding (MOU) language and have agreed to sign formal MOU's with OSMRE, in accordance with the Fiscal Year 1986 appropriations language.

Question: When and how will States have access to the information in this system?

Answer: States are being provided the hardware necessary to access the AVS. The system will first become available in August 1986 when data from Kentucky, Virginia, and Wyoming will be in the system. Data from other States will be loaded in the Fall of 1986 so that the total system will be operational by February 1987.

Accuracy of Applicant Violator System Data

Question: What safeguards or tests are being implemented to assure the accuracy of the data in this new system?

Answer: Data loaded in the system is being crosschecked against original source documents to obtain a high degree of accuracy. OSMRE and the contractor are presently developing a process for obtaining updated information on ownership and control on a quarterly basis.

Question: This system will be developed in modules with Module 1 being operational in February 1987. When will Modules 2 and 3 concerning State issued violations and penalties and 510(c) air and water quality violations, specified in the Fiscal Year 1986 appropriations bill, be operational?

Answer: Module 2 is tentatively scheduled to become operational in January 1988, and Module 3 in January 1989. The development of both these modules is subject to availability of appropriated funds. OSMRE's 1987 budget contains proposed funding for Module 2 at a level of $1.2 million. If these funds are appropriated a contract would be awarded in late 1986 or early 1987 to undertake phase 2.

Hazardous Waste Sites on Indian Lands

In FY 1986, $315,000 was added by the Committee to carry out a survey of hazardous waste sites on Indian lands. No funds are requested for further survey or for clean-up of the identified sites in FY 1987.

- What is the status of the survey of hazardous waste sites?

- How do you propose to handle the sites that are identified as part of the survey? Are there any health or life threatening situations involved that you are aware of? What if some are discovered as part of this process? Where would you get the money to take care of them?

There is one professional staff on board in the BIA Environmental Services Office whose primary duty is related to hazardous waste concerns and who is reviewing existing data to determine which sites should be included in the survey. Environmental Staff are working with the Bureau's Contracting office to determine the most efficient and least time consuming methods of soliciting for a contract to scientifically survey the suspected sites.

The major part of this survey will cover sites that have been identified from past questionnaire surveys. Actual soil and water samples will be taken to determine which sites are indeed hazardous waste sites, what hazards are involved, and their levels and extent. This information, together with identity of sites affecting humans and water supplies, will be used to prioritize for eventual cleanup.

At this time, there are no life or health threatening situations known to the Bureau. In the event any are discovered, the Bureau will address the need for emergency cleanup. Minor requirements could be provided by the programs most closely associated with the activity. However, in the event of more substantial requirements, the Bureau would consider funding alternatives within the budget process, as well as coordination with EPA on meeting such needs.

Litigation Support

The budget process proposes to reduce litigation support by $1,020,000, the amount of the Congressional add-on.

- Will you be able to meet all Court-ordered deadlines for information at the funding level requested?

- Provide a breakdown for the record of all such cases now pending in court, the estimated cost of required litigation support, deadline where known, amount funded to date, amount remaining to be funded and when.

Based upon information provided by our Area Offices, we estimated that the monetary needs required to meet court imposed deadlines involving adjudication of Indian water rights can be met with the funding level requested. As these deadlines are in a constant state of flux, it is difficult to determine precisely what the actual dollar need is at any given time. However, given the deadlines as currently known, we should be able to meet the needs required in these water litigations. All court deadlines involve multi-year studies and the needs in any particular case are subject to change at any moment.

The response (actual where available and estimates as appropriate) is attached.

Litigation Involving Indian Water Rights

ALBUQUERQUE AREA OFFICE

	Estimated cost of Litigation	Court Deadline	Amount Funded to Date Through 1985	Amount Remaining to be Funded (Estimates)
New Mexico v. USA San Juan Basin Navajo	$3,796,033	4th quarter 1989	$1,533,033	$2,263,000
General Adjudication Little Colorado Navajo & Hopi	3,690,934	4th quarter 1990	690,934	3,000,000
USA v. Aiken Colorado Division #7 Southern Ute & Ute Mountain Ute	1,443,543	4th quarter 1987	1,343,543	100,000
New Mexico v. Lewis Mescalero	3,410,616	3/3/86	3,155,616	255,000
New Mexico v. Abousleman Jemez,Zia Santa Ana	1,509,844	1st quarter 1987	1,244,844	265,000
Anaya v. Public Service of New Mexico Cochiti	760,000	4th quarter 1990	-	760,000
Zuni v. City of Gallup Zuni & Ramah	2,675,211	4th quarter 1990	895,211	1,780,000
New Mexico v. Abeyta Taos	800,452	4th quarter 1989	235,452	565,000
New Mexico v. Aragon San Juan & Jicarilla	642,189	4th quarter 1989	82,189	560,000

	Estimated cost of Litigation	Court Deadline	Amount Funded to Date Though 1985	Balance Remaining to be Funded (Estimated)
USA v. Bluewater Acoma & Laguna	$2,081,731	4th quarter 1987	$1,371,731	$710,000
USA v. Abbot	507,356	4th quarter 1989	147,356	360,000
State of New Mexico v. Aamodt	Unknown	In Appeal	2,987,363	Unknown
Total	$21,317,909		$13,687,272	$10,618,000
BILLINGS AREA OFFICE				
General Stream Adjudication State of Montana				
Wind River	2,050,000	-	1,800,000	250,000
Blackfeet	5,160,000	12/31/87	-	5,160,000
Crow	6,040,000	"	-	6,040,000
Fort Belknap	4,280,000	"	-	4,280,000
Northern Cheyenne	880,000	"	-	880,000
Rocky Boy's	1,760,000	"	-	1,760,000
Flathead	4,600,000	"	-	4,600,000
Turtle Mountain	4,280,000	"		4,280,000
Total	$29,050,000		$1,800,000	$27,250,000

	Estimated cost of Litigation	Court Deadline	Amount Funded to Date Through 1985	Amount Remaining to be Funded (Estimated)
PHOENIX AREA OFFICE				
*Pyramid Lake	$6,453,800	unknown	$6,333,800	$120,000
*Fort Mc Dowell	151,000	1991	66,000	85,000
Prescott	25,000	"	20,000	5,000
Payson	5,000	"	5,000	-
Hualapai	305,000	"	110,000	195,000
Fort Apache	514,500	"	284,500	230,000
San Carlos	426,700	"	191,700	235,000
*Salt River	99,000	"	39,000	60,000
*Gila	200,000	"	-	200,000
Papago	290,000	"	-	290,000
Metropolitan Water District v. USA	32,000	"	2,000	30,000
Wild Man v. USA	15,000	1988	5,000	10,000
Total	$8,517,000		$7,057,000	$1,460,000
PORTLAND AREA OFFICE				
USA V. WALTON Colville	130,000		438,000	130,000
USA V. Boy Scouts Colville	385,000		70,000	315,000
USA v. Anderson Spokane	821,400		246,400	575,000
Washington V. Acquavella Yakima	3,388,000		1,888,000	1,500,000

* Denotes Tribe in negotiations or pending negotiations

	Estimated cost of Litigation	Court Deadline	Amount Funded to Date Through 1985	Balance Remaining to be Funded (Estimated)
Snake River Adjudication				
*Duck Valley	$ 365,000	N/A	$ -	$ 365,000
*Shoshone-Bannock (Fort Hall)	869,000	"	694,000	175,000
Umatilla	495,000	"	55,000	440,000
Port Madison	164,000	"	49,000	115,000
Muckleshoot	242,000	"	162,000	80,000
*Warm Springs	864,000	"	429,000	435,000
Burns Paiute	70,000	"	-	70,000
Spokane	170,000	"	-	170,000
*Nez Perce	424,000	"	184,000	240,000
*Coer D'Alene	?	"	50,000	?
TOTAL	$8,387,400		$ 4,265,400	$ 4,610,000
ALL AREAS TOTALS	$67,272,309		$26,809,672	$43,938,000

* Denotes Tribe in negotiations or pending negotiations

Facilities Improvement and Repair Program

The Committee has been greatly concerned since the late 1970's with the facilities and construction program of the Bureau, and a process was initiated at that time, under the Office of Construction Management, to revamp the program, under OCM's direction. Very little progress has been evident in this effort in recent years. As a result, language was included in the 1986 act directing the Secretary to submit a new Memorandum of Agreement, vesting control of the facilities and construction programs in OCM, and a plan for its implementation, to the Committees within 60 days of the enactment of the act.

- The MOA and plan are due today, February 19. Will they be submitted on time?

- What exactly do you plan to do to see that the reorganization and restructuring of the BIA facilities program is carried out in a timely manner this time, and in accordance with the Committee's directives?

- When do you expect to have the Facilities Improvement and Repair priority system, mandated by the Congress in the FY 1985 bill and supposed to be implemented by last October 1, in place? Why has it taken so long?

- The request for the Facilities Improvement and Repair program is $28,960,000, a decrease of $8,305,000. Will this level allow you at least to keep up with the facility deterioration rate? If not, what is the impact?

Yes, the Secretary signed the letter transmitting the new Memorandum of Agreement and the plan on February 19, 1986.

The Assistant Secretary - Indian Affairs and the Assistant Secretary - PBA, have been working closely to ensure that the Bureau of Indian Affairs is prepared to fully administer and manage the facilities and construction program. In this regard, they developed "A Plan for Managing the Bureau of Indian Affairs Facilities Program". In summary, this Plan:

- Strengthens the capacity of BIA to administer effectively and efficiently their facilities program.

- Establishes January 1, 1987 as the target date for transfer of full authority for the program to the Bureau.

- Ensures that appropriate facilities decisions are made reflecting valid facilities and program needs with priority attention to critical life/safety needs.

- Provides technical assistance and expertise to BIA prior to transfer.

- Use the Office of Construction Management (OCM) staff for the nucleus of facility staff in Washington and Albuquerque prior to transfer.

- Trains BIA staff to administer the program after transfer.

- Ensures that construction and facilities operation and maintenance funds are effectively utilized.

In the interim prior to transfer, there will only be one Departmental staff for facilities - OCM as augmented with staff from BIA and elsewhere. At transfer time, those staff members eligible for transfer to BIA, will be transferred to the Bureau to form the Bureau's facilities office. By working closely with OCM during the next ten months, staff members who qualify for transfer, will be trained and prepared to assume full responsibility for administering the program upon transfer.

The Federal Register notice for the Facilities Improvement and Repair (FI&R) Priority Ranking System was published on February 13, 1986. Confusion about the appropriate roles of BIA and OCM hindered decision making about the operations of the FI&R program. The revised MOA and plan have now established the roles of both organizations for the present and post-transfer and allowed for more effective assignment of responsibilities including the responsibility for preparation of and publication of the Federal Register notice.

In preparation of the FY 1987 budget, it was determined that reductions in the operations and maintenance program should be as limited as possible so that existing BIA facilities would not deteriorate further. Reductions were necessary in the facilities improvement and repair category in order to maintain the relatively high funding level for O&M. Improved management including reductions in inventory for unneeded space will allow for better use of O&M dollars, which in turn, will allow the Bureau to better keep up with the deterioration rate.

New School Construction

- No funds are requested for new school construction. Will any of the projects under design currently be ready for construction in FY 1987? If so, why aren't funds requested? What amounts would be required for such projects in FY 1987?

In light of the budget deficit and subsequent Administration policy to delay new construction, it was determined that a higher priority would be placed on the repair and maintenance of existing facilities rather than new construction and, therefore, no additional new construction funds should be requested at this time. Two Eagle River and Rocky Boy High Schools are currently under design and will be ready for construction in FY 1987. Because these schools are being redesigned with modular construction in mind, there are no firm construction estimates for these schools at this time.

QUESTIONS OF HONORABLE SILVIO O. CONTE

National Wildlife Refuges -- Contaminants

Question: Agricultural and industrial development poses a significant threat to fish and wildlife resources and their habitats. I noticed that the service recently issued a preliminary report analyzing contaminant issues of 431 wildlife refuges. 10 of these refuges were classified in "Category A--indicating a need for corrective action. Yet your budget for the service proposes $2.2 million "to intensify evaluation," "to expand monitoring" and "to improve the ability of the service laboratories." Are we just studying the issue to death or will we try to correct the problem?

Answer: No, the Service views the contaminant issue as an overall problem. There are, however, monitoring and analytical requirements as well as operational cleanup needs. The Service conducted a survey of over 430 wildlife refuges to develop a consolidated national listing of contaminant issues requiring management attention. This effort was conducted in conjunction with the Service-wide program that addresses contaminant concerns both on and off-Service lands.

The $2.2 million increase in the Service's FY 1987 proposed budget includes the activities that will either directly address correction of the problems or provide increased information as a basis for corrective action. These include:

$696,000 - To assess fish and wildlife concerns at "Hot Spots" identified by Service Regions through previous contaminant monitoring efforts.

$257,000 - To (1) evaluate the extent of the problem and (2) to work with Federal, State, and local entities that regulate point/non-point discharges to insure that their regulatory standards provide for fish and wildlife protection.

$320,000 - To conduct research on how industrial, agricultural and other pollutants enter biological systems and to what extent they are available to fish and wildlife in that system.

$900,000 - To replace obsolete equipment used in Service research labs and to purchase a computer data base system to serve as a central repository of all operational and research contaminant data.

Question: What will be done to address the contaminant issues on these ten refuges?

Answer: In addition to the activities described above, the Service is addressing refuges with contaminant problems. In FY 1987 the Service will use approximately $1.0 million in Resource Problems funding to address contaminant issues on wildlife refuges. Action plans for all sites identified in the report will be completed by May 1986. These plans will be developed by the Service's refuge staffs, utilizing the expertise of Habitat Resources - Resource Contaminant Assessment (RCA) staff. In many cases these plans will describe prerequisite work necessary to proceed with actual cleanup activities. The following actions are now underway on the "Category A" sites:

(1) Crab Orchard - A Remedial Investigation/Feasibility Study is currently underway that will provide recommendations to resolve identified problems. This approximately two-year effort, which commenced in July 1985, is being partially funded by Sangamo Weston, Inc.

(2) Wheeler - Under a consent decree, Olin Corp. has agreed to mitigate environmental damage. Remedial action is scheduled to commence this summer.

(3) Kesterson - On March 15, 1985, the Secretary ordered immediate closure of Kesterson Reservoir and suspension of irrigation water delivery to 42,000 acres in the San Luis Drain (SLD) service area. On April 3, 1985, the Secretary reached agreement with the Westlands Water District for continued delivery of irrigation water with termination of drain water discharges into the SLD by June 30, 1986. Delivery of free Central Valley Project water to Federal and State wildlife management areas in the Grasslands has been made available during this interim period. An environmental impact statement (EIS) describing proposed cleanup alternatives and associated land use impacts is scheduled for final release in September 1986.

(4) Johnston Atoll - The Defense Nuclear Agency (DNA) has initiated a five-year cleanup program. DNA has removed 100,000 drums of agent orange and is incinerating any associated dioxin that may have leaked. They are also building a $250 million facility to detoxify nerve and mustard gas, and intend to address the plutonium storage problem, including removal of contaminated buildings and topsoil.

(5) Kenai - A matrix of sample collections has been taken to determine the extent of contamination, necessary cleanup, and restoration required. Chevron Oil Company has agreed to conduct the cleanup and restoration project this summer.

(6) Seal Beach - A preliminary assessment by the Department of Defense (DOD) is complete and alternatives for corrective action are now under consideration.

(7) Ninigret - The presence of solvents and other potentially hazardous wastes in the military dumps is not "known" as was described by the draft report, but only "suspected". Once this information is verified, FWS will change this entry from a Category "A" site to a Category "C" site in the final report to be published in March. Plans call for sampling by FWS during the coming months to better define potential harmful effects.

(8) Eastern Shore of Virginia - FWS has received a bid from BFI Corp., Norfolk, Virginia to haul the asbestos stored in bags on the refuge to an approved asbestos dumpsite. The Corps of Engineers plans to visit the refuge this month to discuss Department of Defense (DOD) soliciting bids for total removal and disposal of asbestos still in place. FWS is withholding a decision on further action until the DOD visit.

(9) Fisherman Island - Testing of mice and pigeons indicate no significant movement of DDT into the food chain. The immediate site has been secured to prevent direct exposure to wildlife

populations. The Corps of Engineers' visit this month to Eastern shore will include discussion of DOD strategy for remedial efforts at this site.

(10) Great Swamp - The National Gypsum Company (NGC) has assumed responsibility for the conduct of a Remedial Investigation/Feasibility Study. NGC has hired Fred C. Hart and Associates Inc., an environmental engineering firm, to do the study. A site operations plan has been submitted to the Environmental Protection Agency (EPA) and the State Department of Environmental Protection (DEP). The contractor will test soil and groundwater samples for any traces of asbestos contamination. Surface water samples will also be taken in the Passaic River to determine if any runoff from the buried asbestos is contaminating the river. This sampling effort will begin as soon as EPA and DEP approve the site operations plan.

Kesterson Reservoir/Refuge

Question: The flagship of the contaminated areas is Kesterson in California. What's the status of the clean up? Are there any preliminary cost estimates?

Answer: The Bureau of Reclamation has submitted to the State Water Resources Control Board (SWRCB) a preliminary framework plan for closure and cleanup of Kesterson Reservoir. The final closure plan and associated Environmental Impact Statement (EIS) are being developed to achieve compliance with all applicable Federal, state and local environmental laws, regulations, and policies. The final EIS is scheduled for release in September 1986 and the selected cleanup program will be submitted to the SWRCB in December 1986.

The Bureau of Reclamation has developed preliminary cost estimates on several closure scenarios for Kesterson Reservoir. However, these estimates have not been reviewed and approved by the Department. All the preliminary estimates fall within the $3 million to $195 million range which we have previously estimated for cleanup costs.

Question: I noticed in several newsclips that agricultural interests in California have asked you to delay closing the reservoir for two years -- to let the contaminated run-off water flow into the area. Does this letter exist, and have you answered it? Please provide a copy for the record.

Answer: The Bureau of Reclamation has received three letters from interested parties in the closing of Kesterson reservoir; and two letters recommending extending the closure, one letter from the County of Fresno and the other from the Cities of Mendota and Firebaugh. We are preparing the responses to these letters at this time.

The letters are provided for the record.

To: Commissioner, WBR, Washington,DC, Atten: WO-320 (S.Bigelow)
Subject: Transmittal of Correspondence Regarding Kesterson

FEB 14 1986

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FILE 85-19256

January 29, 1986

Copy Solicitor

The Honorable Donald P. Hodel
Secretary of the Interior
United States Department of the Interior
Washington, D.C. 20240

Dear Mr. Secretary:

We are well aware of your efforts to find a workable solution to the Kesterson problem. We appreciate your personal intervention which led to the April 3, 1985, agreement between the Department of Interior and the Westlands Water District. At the time this agreement was being negotiated, everyone felt that an interim disposal alternative was not only feasible, but could be fully implemented prior to the June 30, 1986, closure date of Kesterson Reservoir set forth in the agreement.

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It is now abundantly clear that Westlands Water District has not been able to develop a disposal alternative within the time allowed. The cost of evaporation ponds which appeared to be the preferred option in April has more than doubled. In view of Westlands' contractual obligation to shut off all flows to Kesterson Reservoir by June 30, 1986, it now has no choice but to proceed with plugging of the agricultural collector drains. If plugging proceeds, farmers within 42,000 acres will lose drainage service that the Bureau of Reclamation has provided for some eight years. This will have an immediate devastating impact not only on the farms within the 42,000 acres that drain into Kesterson, but also on the local communities in the immediate vicinity of the 42,000 acres.

Following the plugging of the drains, the water table will rise, accompanied by an increase in soil salinity. While there is a considerable difference of opinion on just how fast this water will rise towards the surface, and its areal extent, one thing is certain, agricultural productivity will be irreparably harmed once the ground water rises to within five feet from the surface. In some areas, this will occur within days of the plugging of the drains.

COB 03/07/86

The groundwater currently being drained, estimated at 7,300 acre-feet per year, has an average salinity of about 10,000 ppm, and the salt concentration of the drain water will increase as irrigation continues. The reduced depth to the groundwater will limit the farmers' ability to leach salt from the upper soil horizons. The net effect of the salinity increase will be a reduction in the soil's capacity to support crop production. Crop productivity problems are expected to begin immediately and increase in severity with each crop year.

Murietta Farms, a grower in the affected area, plugged one of their collector lines on October 26, 1985, to determine what the effect of plugging would be. The water level rose from a depth of 8.7 feet on November 1, 1985, to 5.8 feet on January 24, 1986, representing a rise of 2.9 feet in just four months. This rapid rise in the water table indicates that the negative impacts of drain plugging would occur much more rapidly than other studies to date indicate.

The potential impacts on crops will come from two sources--the reduced rooting depth due to higher water table levels and the increases in salinity from either the higher water table or from the application of the salts in the recycled drainage water, since the salts will no longer be removed by the drainage system. Both the reduced rooting depth and the increases in salinity will, in our judgment, in a very brief time, adversely impact crop growth and yields. Under a worst-case scenario, agricultural production would cease within the 42,000 acres area within five years.

Gross crop production revenues within the 42,000 acre area were approximately $800 per acre for a total of $33,600,000 in 1984. The current crop mix now includes crops such as alfalfa hay, almonds, wine grapes, tomatoes, and cotton that require moderate depths to the groundwater table to achieve economic levels of productivity. These crops will become uneconomical to grow as water and salinity levels rise in the affected area. Changes to more salt tolerant crops would result in even less revenue than is currently being generated in the area, accelerating the process toward economic extinction for growers in the impacted area.

The area would then suffer severe economic consequences. Based on a recent business survey conducted by Clair Christensen of the University of California, at Davis, drain plugging would result in the following non-agricultural production losses within the impacted area:

- 1,253 full-time jobs lost

- $67,000,000 revenue loss
- 39% estimated loss of business activity

Information prepared by Jones and Stokes, Sacramento, California, for the Westlands Water District Environmental Impact Report indicates that the following human and social impacts would occur after drain plugging:

- 461 production agricultural jobs lost
- 456 service and support agricultural jobs lost
- 2,069 population reduction
- 696 vacant dwelling units
- 435 student population reduction
- annual welfare cost increase of $4,566,000
- annual property tax revenue loss to Fresno County of $487,000
- annual revenue loss to local cities of $54,700

The massive social and human impacts caused by drain plugging would occur at a time when the agricultural community is experiencing the worst economic downturn in fifty years.

It was the recognition of these harsh impacts and the difficulties that the Bureau would have in developing an acceptable alternative that prompted the California State Water Resources Control Board (State Board) to provide up to three years for the Bureau to achieve full compliance with the provisions of its order on Kesterson Reservoir.

The State Board decision to adopt this order was prompted primarily by the adverse impacts of agricultural wastewater at Kesterson Reservoir on waterfowl. While the Board was concerned on the potential threat to public health, there is no evidence that public health has been impacted by the operation of Kesterson Reservoir.

The State Board Order No. WQ 85-1, adopted on February 5, 1985, required the Bureau "to take appropriate action to minimize seepage at Kesterson Reservoir." The order did not require closure, but suggested various alternatives which were available to the Bureau as follows:

"(a) closure of Kesterson Reservoir, in accordance with the closure requirements of Subchapter 15, and implementation of an acceptable waste disposal alternative;

"(b) upgrading Kesterson Reservoir to meet the applicable requirements of Subchapter 15 and the Toxics Pits Act;

"(c) discontinuing use of the reservoir as a waste management facility, including appropriate cleanup measures; or

"(d) any other acceptable alternative."

There appears to be a considerable difference of opinion regarding the time allowed by the State Board to achieve full compliance by "no later than three years from the date of the order." There is also some confusion of just what constitutes "full compliance."

To a large extent, answers to both of these questions will depend on the particular compliance alternative selected by the Bureau. It is our understanding that the Bureau currently favors option (c) which would involve "discontinuing the use of the reservoir as a waste management facility, including appropriate cleanup measures."

In this regard, the Bureau is currently considering five principle alternatives for cleanup of contaminated sediments and soil:

- Off-Site Disposal - Physical removal of the top six inches of sediment and soil, and disposal at a Class I or Class II disposal site.
- On-Site Disposal - Physical removal of top six inches of sediment and soil, and disposal on-site.
- Immobilization Plan - Selenium would be left in place at Kesterson Reservoir and the ponds would be kept flooded with freshwater to ensure anaerobic conditions (anaerobic conditions means occurring in the absence of oxygen). This alternative is based on the presumption that selenium in top six inches of sediment and shallow soil in Kesterson will remain immobile under anaerobic soil conditions.
- Capping and Immobilization. Use of immobilization principle (as foregoing alternative) but would involve

capping sediments with clay cap to keep oxygen away from sediments.

- Flexible Response Plan. Immobilization concept with ongoing assessment and possible use of other alternatives

It is our understanding that the Bureau is pursuing the immobilization plan approach now being studied by the Lawrence-Berkeley Laboratory which indicates that under anaerobic conditions selenium is tied up in the soil and does not move through the soil profile into underlying ground waters. (Selenium occurs in nature in several forms.) The Lawrence-Berkeley Laboratory has found that selenium deposits in the mud underlying the ponds at Kesterson are under anaerobic conditions. It is their view that because of this, the selenium is tied up in the soil and has not moved into the underlying ground water. Their proposal would involve leaving the selenium in place at Kesterson Reservoir under anaerobic conditions by keeping the ponds flooded with freshwater. While this alternative still requires further study, it now appears to be the preferred alternative. This solution would require only freshwater replenishment without drying and removal of selenium. It now appears to be the least costly solution.

With approximately one million cubic yards of material in the top six inches of soil in Kesterson Reservoir which would have to be removed under the first two physical removal alternatives, there is little doubt that the Bureau should pursue the immobilization plan as the preferred alternative. Clearly, this alternative would be the most cost effective. It is estimated that the immobilization cost may be about $2.9 million while the other alternatives would vary from $40 million to $200 million.

If the immobilization plan alternative is approved by the State Board, the lead time required to comply with the February 4, 1988, deadline would be substantially reduced. It is possible that drainage flows could continue through at least through September, 1987, if all the agencies and farmers work together, and still be in compliance with the State Board order. However, there is nothing in the order, nor based on our discussions with State Board staff that would require that all agricultural drainage be removed by February 4, 1988. The order does, however, require that all "appropriate clean-up measures" be completed by February 4, 1988.

At the very least, Mr. Secretary, before the plugging process begins, a discussion between the State Board, the Department of Interior and interested parties would be most helpful to sort out the facts of exactly what is required.

When you directed the Bureau and the U. S. Fish and Wildlife Service on March 15, 1985, to begin the process of shutting down Kesterson Reservoir, you cited your justifiable concern that unless immediate action was taken, the Migratory Bird Treaty Act could create the possibility of a violation of criminal law without regard to intent or knowledge. However, since then, the Department of Justice has clarified and settled this concern.

The Department of Justice letter issued at the time of the April 3, 1985 Agreement, provided that compliance with that agreement and appropriate protection of bird life would not justi prosecution. Since that letter, an additional Department of Just. Opinion dated October 7, 1985, concludes that the strict criminal liability provisions of the Migratory Bird Treaty Act were not intended to apply to federal officials and employees who are engaged in Congressionally authorized projects, provided that,

> (1) the official acts within the authority granted by Congress, and the employees perform their job responsibilities with due care; and
>
> (2) they make a good-faith attempt to comply, to the extent practicable under the circumstances with the Migratory Bird Treaty Act.

Clearly, adherence with the State Board order of February 4, 1988, deadline for full compliance would also ensure compliance with the Migratory Bird Treaty Act so long as the Bureau hazing and other preventative measures are continued at Kesterson during that time..

This is especially so when you consider that the impacts on waterfowl experienced in 1983 have been greatly reduced or eliminated as a result of the hazing program and the other mitigation measures taken by the Bureau. This has been effective in keeping waterfowl from nesting in the area. Since 1983 there have been no waterfowl deaths reported at Kesterson Reservoir.

Clearly, since the February 5, 1985 State Board order requiring the Bureau "to take appropriate action to minimize seepage at Kesterson Reservoir" and your March 15th decision to begin the process to close Kesterson conditions have changed dramatically. Those that have recently criticized an extension of the June 30, 1986, closure deadline, imposed by the April 3rd agreement, are living in the past. The basis of such criticism is information that is a year old or older.

We believe that in view of the devastating impact on the local economy, the decision to close Kesterson must be made on today's facts. It is for this reason that we seek your help and assistance in a reassessment of the current situation at Kesterson and your consideration of an extension of time to comply with the State Board order.

Not only have the conditions at Kesterson changed over the last year, but also efforts by farmers within the 42,000 acres working closely with the Westlands Water District have reduced flows substantially. The combination of the District's land application of drainage water, deferred pre-irrigation and intensified water conservation and management program have reduced drainage flows by fifty percent. However, without further efforts this will vary with the application of irrigation water during the growing season.

In addition, the farmers and communities in the vicinity of the 42,000 acres have formed an action community organization which they call the Community Alliance for Responsible Water Policy, whose primary goal is to have a long-term solution to the agricultural drainage problem. The Community Alliance has developed a three year plan (copy attached) which consists of immediate measures that farmers would take to reduce drainage flows and active participation in efforts to provide alternative means of disposing of the drainage water to ensure the eventual termination of all unacceptable drainage flow to Kesterson.

It is in large part these interim measures which have been implemented by farmers within the 42,000 acres that have brought about the substantial reduction in drainage flows. These interim measures include an intensive water conservation and management program, deferred pre-irrigation and disposal of irrigation water on selected parcels of land. However, one of the major interim measures which has yet to be implemented is the drainage recycling program.

With the full implementation of the drainage recycling program along with further conservation measures which will require capital improvements by the farmers, it is felt that agricultural drainage flows to Kesterson can be eliminated by the February 1988 deadline imposed by the State Board order. Listed below is a summary of the relative amounts of agricultural drainage which would be handled by the various interim measures when fully implemented assuming an annual agricultural drainage flow of 8,000 acre-feet.

Interim Measures	Acre-Feet
Conservation	2,800
Land Disposal	1,200
Recycling and conservation (with capital improvements)	4,000
	8,000

The Community Alliance on behalf of farmers within the 42,000 acres has been involved in intense negotiations with the Westlands Water District to develop an incentive payment program to defray the cost to farmers participating in the recycling program. Most of the farmers able to recycle drainage flows have agreed to do so, if funds are provided to cover necessary capita and operating costs. While these farmers believe that their lan will be adversely affected by recycling, they believe that pluggi of the drains would be far worse, rendering the land unfarmable within a very short period.

Apparently, because of its weak financial condition, however, the Westlands Water District was able to offer only $25 for each acre-foot recycled during the first year of the program with the farmer assuming all further costs for as long as recycli might be required. Also, Westlands required that each farmer recycling drainage water must not only release the District from any harm to his land, but also to indemnify and hold the District harmless from any liability arising to land adjacent to those of the farmers' recycling drainage flows. Without at least a contribution of $50 an acre-foot, the farmers within the 42,000 acres will not be able to financially implement the program. Nor will the farmers be in a position to hold the District harmless from any liability resulting from the recycling program. However, other sources of funding are being pursued including low interest loans to the farmers from the California Department of Water Resources to permit recycling of drainage flows this year.

We believe that the three year plan, when fully implemented, will effectively deal with all drainage flows and will provide the additional time needed to develop longer term disposal alternatives. The three year plan, however, cannot be implemented if the drains are plugged, because the ground water levels will rise rapidly rendering large portions of the 42,000 acres unfarmable.

The three-year plan must be supplemented by the implementation of more permanent longer term solutions, as a substitute for the present use of Kesterson.

These longer-term alternatives would consist of a combination of the following: selenium removal from drainage water, deep well injection, desalination, evaporation ponds and the spreading of waste water on land dedicated for this purpose utilizing salt-tolerant plants and trees to assist in the evaporation process.

Substantial progress has been made recently regarding the removal of selenium from drainage water. Pilot programs conducted by Binnie and Partners, a London, England based engineering firm, on the Murietta Ranch indicate that selenium can be removed from agricultural drainage water for less than $100 per acre-foot. The next step in this process involves the construction of a fully functional treatment plant to verify these costs. If successful, this treatment process will address the immediate environmental concern with agricultural drainage containing selenium.

There appear to be many other promising technologies which could provide a substantial contribution to the solution of the agricultural drainage problem within the next three years. However, the funding to conclude the vital research associated with these technologies must be provided immediately if they are to be in place within the next three years. The Westside Resource Conservation District has requested a low-interest loan from the State Conservation Bond Program administered by the Department of Water Resources. It is our understanding that this request will receive favorable consideration. This is one possible source of funding.

Another source of funding can be provided through the Department of Interior. As you are aware, Congress authorized the Department to loan up to $3.7 million from existing funds for the preparation of feasibility studies for alternative solutions to improve the quality of agricultural wastewater in the Central Valley of California. Even though approved by Congress on October 19, 1985, none of this money has been released to conduct the necessary studies. We urge your assistance in expediting the release of the $3.7 million loan funds authorized by Congress for the following studies:

(1) Up to $1,300,000 for economic feasibility studies relating to the desalting of agricultural drain water.

(2) Up to $1,200,000 for economic feasibility studies and pilot testing of selenium removal processes relating to subsurface agricultural drain water.

(3) Up to $1,200,000 for economic feasibility studies and pilot testing of the deep well injection and solar pond brine management option.

We believe that these studies will provide environmentally sound solutions to the subsurface agricultural drainage problem not only within the 42,000 acres, but throughout the San Joaquin Valley of California, and other irrigated farmland in the west which is now threatened with the same problem.

In requesting a reconsideration of the Kesterson Reservoir timetable in the April 3 Agreement, we are not advocating that it should be business as usual. Nor are we asking for merely a delay. We are asking for the critical time provided under the State Board order that is needed to implement interim measures and more importantly move forward with the implementation of workable long-term alternatives.

At the present time, drainage flows have been reduced by fifty percent through a combination of various interim measures. In view of funding limitations and the lead time needed to construct necessary physical works, further drainage reduction over the next few months can only be achieved through the plugging of the drains. This will have the devastating effect on the farmers and the surrounding local communities which we have already discussed; however, ironically, this will have little or no further benefit to the waterfowl at Kesterson. They are already protected by the ongoing mitigation efforts of the Bureau.

In order not to lose the progress made to date, our proposal for a reconsideration of the time table for Kesterson involves reducing drainage flows down to 3,000 acre-feet during the 1986 irrigation season. These drainage flows to Kesterson would be combined with 5,000 acre-feet of freshwater. The drainage flow would be further reduced to 1,500 acre-feet during the 1987 irrigation season and would be blended with 6,500 acre-feet of freshwater. Under this proposal all drainage flow to Kesterson would cease by the February 1988 deadline specified in the State Board order. In the meantime, if any of the alternative programs for ponding, desalination and other uses of the drain water could be brought on line, the ability to meet the Board's 1988 deadline would be further ensured.

The corresponding reduction of drainage flow with increasing freshwater flows prior to the Board deadline would in effect begin the implementation of the Board order and the current proposal for cleanup of Kesterson being considered by the Bureau.

We have discussed the new developments in the Kesterson problem since the April 8 Agreement and our proposal, with many of the interested parties including representatives of the Environmental Defense Fund, the Sierra Club, the Committee for Water Policy Consensus and the Natural Resource Defense Council. Also, we have explained our proposal to the staff of the House Water and Power Subcommittee. All of these groups are sympathetic to the plight of the farmers and the affected communities. But, like our group, they are concerned about when the delivery of waste water containing high selenium concentrations into Kesterson will be terminated. While all of those groups do not presently support our proposal for a time extension, they are willing to at least talk about an environmentally sound solution that would not adversely affect the farmers, the communities and the waterfowl. Mr. Secretary, we share this view and would like the opportunity to explain the details of why additional time is needed to ensure that interim measures are fully implemented which should assure compliance with the State Board order without plugging.

We look forward to meeting with you in the near future to discuss our request with you for a reconsideration of the time table in the April 3 Agreement.

Very truly yours,

Alex Valdez, Councilmen
City of Mendota

Ron Leyva, Mayor
City of Firebaugh

James R. Tischer for G.
Gerald Stoltenberg, President
Community Alliance for
Responsible Water Policy

cc: VIA EXPRESS MAIL:

Don Perleman, Department of the Interior
Ralph Tarr, Department of the Interior
Congressman Chip Pashayan
Congressman Tony Coelho
Congressman George Miller
Assemblyman Jim Costa
Bill Stall, Los Angeles Times
Dave Kennedy, Department of Water Resources
David Houston, Bureau of Reclamation
Hal Candee, Natural Resources Defense Council
Sunne McPeak, Committee for Water Policy Consensus
John [illegible], Environmental Defense Fund
Representative Richard Lehman
Senator Pete Wilson
Senator Ken Maddy
Senator James A. McClure, Chairman,
    Energy & Natural Resources

UNITED STATES MAIL

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Bruce Wahin, Esq.
David Shaffer, Esq.
Raymond Stone, Chairman, State Water Resources Control Board
Senator Frank Murkowski
Senator Bill Bradley
Senator John Chafee
Senator Alan Cranston
Senator Patrick Leahy
Senator Richard Lugar
Senator Howard Metzenbaum
Senator William Proxmire
Senator Mark O. Hatfield
Senator Lowell P. Weicker
Senator Pete V. Domenici
Senator Malcolm Wallop
Senator John W. Warner
Senator Don Nickles
Senator Chic Hecht
Senator John Heinz
Senator J. P. Bennett Johnston

Senator Henry M. Jackson
Senator Dale Bumpers
Senator Wendell H. Ford
Senator Spark M. Matsunaga
Senator John Melcher
Senator Paul E. Tsongas
Representative Dick Chenez
Representative Berkley Bedell
Representative Barbara Boxer
Representative Vic Fasio
Representative Robert Matsui
Representative Norman Mineta
Representative Leon Panetta
Representative John Seiberlin
Representative Morris Udall
Representative Sidney Yates
Assemblyman Bill Jones, State Capital
Assemblyman Rusty Areias

Deran Koligian
Chairman
Board of Supervisors

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ES-19028

Bob Kattman
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January 21, 1986

The Honorable Donald Hodel
Secretary of Interior
United States Department of Interior
Washington, D.C.

Dear Mr. Secretary:

We would like to take this opportunity to express our sincere appreciation for your actions to extend the closure date of Kesterson Reservoir until June 30, 1986, and to restore the water supply to the 42,000 acres which currently drain into Kesterson Reservoir. It is believed that the April 3rd agreement between the Department of Interior and the Westlands Water District which sets forth these commitments was negotiated and entered into in good faith. During these negotiations, everyone believed that it would be possible to develop and implement interim measures of disposal to eliminate the flow of drain waters into Kesterson Reservoir by June 30, 1986.

However, despite Westlands Water District's best efforts to develop cost effective "alternative means" of disposal, it does not appear that Westlands will be able to completely shut off all flows to Kesterson Reservoir unless it proceeds with plugging of the agricultural collector drains. Such an action would have a devastating impact on not only the growers within the 42,000 acres that drain into Kesterson, but also the local communities in the immediate vicinity of the 42,000 acres.

On January 22, 1985, the Fresno County Board of Supervisors adopted a resolution recognizing the need to ensure that the productive farm land of the western San Joaquin Valley is preserved while at the same time protecting the public health and environmental resources of that region. Based upon information gathered and presented during public hearings it was determined at that time and through subsequent Board actions that the cessation of either irrigation flows to, or the drainage of irrigation waters from the 42,000 acres of agricultural land within the Westlands Water District would have calamitous social and economic consequences on Fresno County residents.

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We believe that the circumstances involving the decision to close Kesterson Reservoir have changed significantly. For instance, the farmers and communities in the vicinity of the 42,000 acres have formed the Community Alliance for Responsible Water Policy, whose primary goal is to have a physical long-term solution to the drainage problem. In furtherance of this goal, the Community Alliance has developed a three year plan which consists of conservation measures to reduce drainage, recycle drainage water, and interim land disposal. We believe that this three year plan, if implemented, would go a long way toward reducing drainage flows. The three year plan, however, cannot be implemented if the drains are plugged.

The farmers in the 42,000 acres working closely with the Westlands Water District have already reduced flows substantially. This has been accomplished through a combination of programs implemented by Westlands Water District and the growers. These actions include water conservation and limited land disposal. The District and the growers are also working on the drainage recycling program as proposed in the three year plan.

In addition, mitigation measures taken by the Bureau of Reclamation and U.S. Fish and Wildlife Service appear to have been successful in that there have been no water fowl deaths reported at Kesterson Reservoir. While it may be true that the hazing program has not been totally successful, it has been effective in keeping water fowl from nesting in the area and, thus, eliminating bird mortalities.

Our purpose in writing you is to request a reassessment by your Department and all other interested individuals, of the decision to close Kesterson Reservoir by June 30, 1986. If the plan to plug the collector drains proceeds as currently proposed, substantial agricultural acreage will go out of production. The impact on the local economy and communities would be substantial and irreparable. It is for this reason that we seek your help and assistance in a review of the current situation at Kesterson and your consideration of an extension of the closure deadline. We would also appreciate your assistance in obtaining the release of $3.7 million authorized by Congress for use in developing local interim measures and for special studies by the Environmental Defense Fund.

We look forward to the opportunity of meeting with you and other interested parties to discuss in further detail our request for reconsideration of the decision to close the Kesterson Reservoir by June 30, 1986.

Very truly yours,

Deran Koligian

DERAN KOLIGIAN, Chairman of the
Fresno County Board of Supervisors

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MERCED COUNTY

BOARD OF SUPERVISORS

2222 "M" STREET • MERCED, CALIFORNIA 95340 • TELEPHONE (209) 385-7366

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23 January 1986

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Donald Hodell
Secretary of Interior
U.S. Department of Interior
18th and C Streets
Washington DC 20240

Re: Closure of Kesterson

Dear Mr Hodell,

This Board, in the strongest terms possible, desires to bring to your attention concerns about what we are hearing and reading in the news media about possible changes in the Department of Interior's position regarding closure of Kesterson, its clean-up and the reduction of flow in the San Luis drain. As you are aware, this Board since the construction of Kesterson in Merced County, has been seriously concerned about health problems, such as the contamination of surface waters, ground waters, vegetation and shallow wells located in Merced County. In addition, we are concerned regarding the contamination of the food chain which has resulted in extinction and/or deformation of species of fish and water fowl in Merced County.

We commend your March 13, 1985 decision to take into account your Department's responsibility under the Migratory Bird Act. The appropriate action would be to close the reservoir as an agricultural drain water disposal facility. In addition, in order to facilitate your proposed action, your department entered into an agreement with the Westlands Water District, whose lands were the source of the agricultural drainage water to Kesterson. This agreement provided for a phased-in reduction in the flow of drain water into the Kesterson with a complete reduction of flow to occur in June 1986.

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The concerns of this Board was that the reservoir should be closed immediately for the above stated environmental and health reasons. However, we supported your position as stated in your above mentioned agreement because it gave ample time for the Westlands Water District to arrive at an interim solution.

The agreement is consistent with the State Water Resources Control Board's order of January 8, 1985 and properly and prudently balanced the probability of irreversible contamination of surface water, ground water, shallow wells, the underlying aquifers, vegetation and the deformed migratory birds versus the economic impact in the Westlands Water District. No one wanted to adversely effect the economics of the Westlands area.

However, when the Westlands is the known source of the contamination and the contamination poses an existing serious health threat as well as destroying the wild life of the area and the waters of the State, your decision for closure and clean-up was laudable and the only prudent one. We are requesting that you not change your decision and succumb to political and other pressures. Kesterson Reservoir lies entirely within this County and we are of the opinion that our position should be given paramount consideration.

In conclusion, compliance with the above mentioned agreement solves the serious health and environmental problem of continued accumulation of contaminated water into Merced County. Such resolution was long overdue and to change direction now is a step backward and is an invitation for more adverse publicity and additional litigation.

Very truly youre,

Albert E. Sardini

ALBERT E. SARDINI
Chairman

cc: Tony Coelho (California)
House of Representatives
Washington D.C. 20515

George Miller (California)
House of Representatives
Washington D.C. 20515

Kesterson "Whistle Blower"

Question: There's also been accusations regarding "harassment" of the so-called "Kesterson whistle blower." Has your office looked into this situation?

Answer: My office has been made aware of this situation by the Fish and Wildlife Service (FWS). The employee, Mr. Felix Smith, originally worked with the FWS California Water Policy Center (CWPC) to deal with water use issues and was located in Sacramento. In 1980 the CWPC responsibilities were transferred to the FWS Sacramento Area Office. When the Area Office form of management in the FWS was abolished in 1982, the position occupied by Mr. Smith was transferred organizationally to the Regional Office in Portland. It was determined, however, that Mr. Smith should remain in Sacramento for an additional 2-3 years to complete ongoing work on California Water Issues, which ultimately included the Central Valley Agricultural Drainwater problem. Now that this issue has been turned over to a multi-agency management team, the staff position in the Regional Office is needed to deal with other high priority issues. Mr. Smith has been offered the position of FWS Regional Contaminant Specialist in Portland.

Park Service User Fees

Question: The budget justification claims that new and increased fees could raise $73.8 million during 1987. I hope that's right, but I'm concerned that only 80 percent of the receipts would be turned back into the operation of the park system. Why shouldn't 100 percent of the receipts--collected from families on vacation, students and others--be used to properly maintain our invaluable resources of the National Park?

To me a user fee is just that. You pay for a service or use of some resource. What justification does the Park Service have to collect fees from park users to be spent elsewhere in the Federal Government?

Wouldn't this practice reduce public support for the increased fees?

Answer: The proposed legislation on recreation fees would supplement appropriation requests for the National Park Service by $59 million, which is less that 10 percent of the total estimated cost of $655 million to operate the National Park System in FY 1987. Since the general taxpayer is financing more than 90 percent of the cost of National Park System areas at a time of unprecedented budget deficits, we believe it is appropriate to earmark a portion of the revenues from recreation fees to help reduce that deficit and to support our position that National Park Service appropriations not be offset by fee revenues in future years.

We do not think this will have an impact on public support for reasonable entrance and user fees for National Park areas.

Endangered Species: California Condor

Question: The California Condor Recovery Program is not only a well publicized effort, but it has also been fairly controversial, especially over the past few months. Is the Interior Department committed to continuing this all-out effort to restore the condor population?

Answer: Yes. I am advised by the Fish and Wildlife Service that approximately $800,000 is requested in FY 1987 to maintain ongoing research and recovery actions for the California condor, including studies on captive propagation, habitat use, breeding biology, and re-establishment. The Department's objective remains to re-establish and recover the California condor in the wild.

Question: Why hasn't the Federal Government bought the Hudson Ranch, a vital condor habitat?

Answer: I am informed by the Fish and Wildlife Service that negotiations to arrive at a selling price have been unsuccessful. The owner of the Hudson Ranch has argued that his after-purchase investment in the property is considerably more than the current appraised value on which our offer is based. Rather than proceed with some form of condemnation of the property, the Department is planning on conducting a new appraisal. At the same time, we are also planning to review and evaluate the importance and potential of the Hudson Ranch, via-a-vis other sites, for condor releases and supplemental feeding.

Oil Import Fee

Question: Mr. Secretary, I know you're not directly involved in this issue, but as Interior Secretary, you are part of the Cabinet Council discussing the possibility of an oil import fee.

Being from the Northeast, I have very strong feelings on this issue. I think an oil import fee is plainly unfair to certain regions of the country, and it will guarantee unwarranted profits for domestic oil companies at the expense of average consumers using this product.

And there are many other reasons to oppose the oil import fee.

I know it is not a budget question, but what is your view on this issue? Aren't there major drawbacks to an oil import fee?

Answer: I defer to my colleagues from the Department of Energy and Treasury on the proposal. They have recently testified before the Senate Subcommittee on Energy and Agriculture of the Committee on Finance. We share your concern about the effects of an oil import fee. The imposition of an oil import fee would not be without cost. The higher prices supported by an import fee would create a cost disadvantage in international trade for U.S. oil or gas using industries. Also, the higher prices would have different effects among different regions of the country, as you have pointed out. It may well be most desirable for the U.S. to purchase low cost oil on the world market, and produce higher cost U.S. supplies at some later time. However, such a fee would raise Federal revenue, reduce U.S. dependence on imported crude, encourage increased domestic production, and encourage decreased consumption of petroleum products because of higher prices. The effects of various possible levels or types of fees on imported oil or on petroleum products will have to be weighed against the effects expected in the absence of any fees. We are certain that further analyses and discussions of this issue will take place within both the Executive and Legislative Branches.

Grazing Fees

Question: I know "grazing fees" on federal land is a complicated issue, with many factors affecting the level of the fee.

However, there's no doubt that something has to be done and if you believe OMB, something should be done sooner rather than later. For several years OMB has urged raising the fees, not just freezing the current level. In a recent memo, OMB argued that federal grazing fees are 80 percent lower than fees for comparable private land and revenue "covers only 35 per cent of the federal costs of range management and improvement." Moreover, the benefits go to a minority of livestock producers in this country.

Why aren't you leading the charge on the grazing fee issue like the effort you are making to raise park service fees for American families?

Answer: The issues concerning the grazing fee are very complex as you state. In particular, I do not believe OMB arguments that the Federal grazing fees are 80 percent lower than comparable fees on private land and that revenues cover only 35 percent of the Federal costs are correct. The market value appraisal conducted by BLM showed large variability (from 2 cents to $65 per AUM) in lease rates leading the Bureau to believe that comparable public land lease rates would probably vary this much also. Thus, comparability as determined by OMB is certainly subject to question. Additionally, a 1985 Bureau analysis determined that of the total amount appropriated for range management, only about $28,000,000 actually is related to livestock grazing on public rangeland. This being the case, the grazing fee actually covers approximately 63 percent of the costs of the program. Further, raising revenue is not the exclusive purpose of the grazing management program. The Taylor Grazing Act requires the Bureau to stop injury to the public lands, provide for orderly use, improvement and development and provide stability to the livestock industry dependent upon the public rangeland.

The President's decision to maintain the current statutorily established fee formula beyond December 31, 1985, and establish a $1.35 per AUM floor on the fee allows Congress the opportunity to further explore the issues you raise and to determine what constitutes a fair grazing fee after all sides of the argument have been presented.

MONDAY, MARCH 17, 1986.

BUREAU OF MINES

WITNESSES

ROBERT C. HORTON, DIRECTOR

DAVID S. BROWN, DEPUTY DIRECTOR

JAMES F. DONAHUE, CHIEF, DIVISION OF BUDGET

ANTHONY L. ITTEILAG, DIRECTOR OF BUDGET, DEPARTMENT OF THE INTERIOR

JOHN D. MORGAN, CHIEF STAFF OFFICER

JOHN MURPHY, DIRECTOR, PITTSBURGH RESEARCH CENTER

Mr. YATES. Mr. Reporter, show the hearing as coming to order.

This is the hearing on the budget for fiscal year 1987 for the Bureau of Mines. Appearing in support of that budget is Mr. Horton, the Director; Mr. Brown, the Deputy Director; Mr. Donahue, the Chief of the Division of Budget. Where is Mr. Brown? And Mr. Itteilag is here.

Mr. Horton's statement may be made a part of the record, and Mr. Brown's biography may be made part of the record.

[The statement of Robert C. Horton and biography of David S. Brown follow:]

Statement of
Robert C. Horton
Director, Bureau of Mines
Department of the Interior
before the House Committee on Appropriations
Subcommittee on Interior
March 17, 1986

Mr. Chairman and Members of the Committee:

It is my pleasure to appear before you today to discuss the Bureau of Mines programs and the budget request of $107,100,000 for the Mines and Minerals appropriation for fiscal year 1987. Within that request, we propose $61,180,000 for Minerals Research, $26,570,000 for Minerals Information and Analysis, and $19,350,000 for General Administration. This budget request represents a decrease of $20,611,000 from the fiscal year 1986 appropriation less the Gramm- Rudman-Hollings (G-R-H) reductions.

When considering the appropriations and budgets of the Bureau of Mines, I find it useful to separate the internal and external funding. Internal funds are those used to directly support the internal programs of the Bureau - its personnel, facilities, and contracts. External funds are those awarded through the Bureau, for purposes of management and oversight, to organizations external to the Bureau. In recent years, these organizations have been the Idaho National Engineering Laboratory (INEL) of the Department of Energy, the Mineral Institutes, and the Pennsylvania State/West Virginia University Generic Center for Respirable Dust.

The attached table lists the major internal and external program funds of the Bureau for the fiscal year 1985 and fiscal year 1986 appropriations, the fiscal year 1986 appropriations less the G-R-H reductions, the fiscal year 1987 base, the budget estimate for fiscal year 1987, and the changes from 1986 and the base budget.

This budget request, when compared with the 1986 appropriations less the G-R-H reductions, represents a decrease of $8,454,000 in internal funds. This reduction is slightly greater than the reduction in internal funds provided by the fiscal year 1986 appropriations less the G-R-H reductions when compared to the fiscal year 1985 appropriations. The changes in internal funding consist of decreases of $8,808,000 in Minerals Research and $1,181,000 in Minerals Information and Analysis.

This budget request does not propose any fiscal year 1987 appropriations for external programs, resulting in additional reductions of $13,512,000. The reasons for this decision are given later in my testimony. I would, however, mention at this time that the decision was influenced by the desire to maintain the maximum mineral research and information capabilities of the Bureau while responding to the critical requirement to reduce Federal spending.

We strongly support the goal of the President and the Congress of achieving a balanced Federal budget by 1991. This budget estimate reflects what we sincerely believe are budget reductions that can be accomplished without sacrificing programs essential to the welfare of the Nation, the mineral industry, or the individual miner.

The principal mission of the Bureau of Mines is to help ensure that the United States has an adequate and dependable supply of minerals to meet its defense and economic needs at acceptable environmental, energy, and economic costs. It pursues that mission by acquiring and analyzing worldwide minerals data and by conducting research to enhance mining and mineral processing safety, productivity, and efficiency.

Last year I mentioned Project 2000, an initiative of the Bureau of Mines conceived and conducted to ensure identification of, and appropriate responses to, new and continuing mineral-related problems and issues. I am pleased to report that Project 2000 has been completed. Copies of the full report were distributed to appropriate members and committees of Congress.

Mr. Chairman, I will now outline the major features of our fiscal year 1987 budget request and explain the rationale behind our major 1987 reduction recommendations.

Minerals Research Programs

The budget proposes $61,180,000 for Minerals Research--$26,121,000 for Health and Safety Technology, $9,744,000 for Mining Technology, and $25,315,000 for Minerals and Materials Research.

The proposed budget for Health and Safety Technology will support continued research efforts to solve the most serious problems threatening miners' lives (ground control and mine disasters), safety (industrial hazards), and health (respirable dust). The rates of fatal and nonfatal accidents experienced in the coal mining industry in 1985 continued their historic downward trend. The rate of fatal injuries in 1985 was equal to the record low rate experienced in 1983, and down 43 percent from the rate in 1984. The factors leading to this trend include the technological improvements pioneered by more than seven decades of Bureau of Mines research; the regulation, inspection and enforcement activities initiated by the Bureau and now carried out by the Mine Safety and Health Administration (MSHA); the more widespread use of safer mining methods; and greater safety consciousness, concern, and training by the mining industry, its unions, and individual miners. The encouraging trends in mining fatality and injury rates and the more active participation of mine operators in applying health and safety technology have led the Bureau to propose a reduction in Health and Safety Technology research of $7,542,000 from the base.

Funding for Respirable Dust research supports a modest increase for in-house research which will seek solutions to the silica dust problem. The budget request would be reduced $1,877,000 by discontinuing grant funding to the Respirable Dust Generic Center at Pennsylvania State and West Virginia Universities. Funds appropriated in FY 1986 and prior years will continue to support work at the Generic Center through FY 1988.

Research funding for Ground Control and Industrial Hazards represents 56 percent of the total funding requested for Health and Safety Technology, reflecting the fact that these hazards remain among the Bureau's highest priority research areas. They are still leading causes of fatal and nonfatal injuries. Funding for Ground Control research would be reduced by $736,000, and funding for Industrial Hazards research would be reduced by $991,000; however, important work such as research to predict mountain bumps, use remote sensing to detect ground control hazards, and investigate application of robotics would continue.

The restructured program includes a Mine Disaster Prevention element which would be aimed at preventing the recurrence of disasters such as the 1984 Wilberg Mine fire in Utah, and would redirect efforts in survival and rescue and methane control. Research under this element would combine efforts previously carried out under the Fire and Explosion Prevention, Methane Control, and Postdisaster Survival and Rescue program elements. Total funding in these areas would be reduced by $3,686,000.

The Physical and Chemical Agents element would continue efforts in noise control and reinstate efforts in control of toxic and hazardous materials found in the mining environment. Total funding in this area would be reduced by $252,000.

The proposed budget for Mining Technology includes a $3,432,000 program decrease from the base. Funds appropriated for a pilot demonstration of in situ copper mining will be adequate to complete the initial phase of design and engineering. Responsibility for further efforts belongs to the private sector. Funds previously provided to perform proof-of-concept validation of coal mining equipment were sufficient to complete those efforts. Follow-on funding will not be necessary.

The proposed budget for Minerals and Materials Research will continue to emphasize efforts to establish a stockpile of basic information on technologies applicable to processing resources from Alaska as well as identified domestic low-grade resources of strategic and critical minerals and recovery of these materials from scrap and waste. The program includes a $7,200,000 program decrease from the base. Savings from discontinuing efforts at the Idaho National Engineering Laboratory (INEL) account for $3,976,000 of this program decrease. Funds provided for research at INEL in FY 1986 will continue to support efforts through FY 1988. The remainder come from reductions in lower priority research efforts in all program areas.

Minerals Information and Analysis Programs

We are requesting $26,570,000 for Minerals Information and Analysis programs -- $9,856,000 for Minerals Information, and $16,714,000 for Mineral Data Analysis.

In Minerals Information there is a $66,000 decrease in the Data Collection and Dissemination program. The budget for computer support of the Automated Minerals Information System has also been transferred to the Office of Automatic Data Processing under General Administration as a base adjustment.

A program decrease of $1,793,000 is proposed for Mineral Data Analysis. This decrease results from the substantial completion of the mandated Bureau of Land Management mineral land assessment program and reductions in mineral investigations.

Mineral Institutes

No funding is proposed for Mineral Institutes, a reduction of $7,950,000 from the FY 1986 appropriation. Allotment grants awarded in FY 1986 and prior years will support the programs of the Mineral Institutes through the 1986-7 academic year. Research grants will continue to support research activities in the five generic minerals technology areas through FY 1988. As these funds are expended, the States and private sector are expected to continue to support these programs. Federal funding support would be discontinued.

General Administration

The budget proposes $19,350,000 for General Administration. This includes a base reduction of $350,000 and 12 FTEs resulting from streamlining and consolidation of administrative functions, and base increases resulting from increased rental costs and transfer of the budget for ADP support for the Automated Minerals Information System from Minerals Information to General Administration. No net program increase or decrease is proposed.

Mr. Chairman, this concludes my formal statement. I will be pleased to answer any questions.

Department of the Interior
Bureau of Mines
Comparison of Internal and External Program Funding

(Dollars in Thousands)

Activity/Subactivity	1985 Approp.	1986 Approp.	1986 w/G-R-H	1987 Base	1987 Estimate	Change from Base	Change from 1986 w/G-R-H
Minerals Research:							
Health and Safety	$32,779	$31,415	$30,078	$31,476	$26,121	($5,355)	($3,957)
Mining Technology	13,526	13,145	12,585	13,176	9,744	(3,432)	(2,841)
Minerals and Materials	27,370	28,539	27,325	28,539	25,315	(3,224)	(2,010)
Subtotal	$73,675	$73,099	$69,988	$73,191	$61,180	($12,011)	($8,808)
Minerals Information and Analysis:							
Minerals Information	$10,856	$10,554	$10,105	$9,922	$9,856	($66)	($249)
Mineral Data Analysis	18,550	18,431	17,646	18,507	16,714	(1,793)	(932)
Subtotal	$29,406	$28,985	$27,751	$28,429	$26,570	($1,859)	($1,181)
General Administration	$20,160	$18,607	$17,815	$19,350	$19,350	...	$1,535
Total, Internal Program	$123,241	$120,691	$115,554	$120,970	$107,100	($13,870)	($8,454)
External Program							
Idaho National Eng. Lab	$5,391	$3,976	$3,806	$3,976	...	($3,976)	($3,806)
Mineral Institutes	7,842	7,950	7,612	7,950	...	(7,950)	(7,612)
Resp. Dust (PSU/WVU)	1,152	2,187	2,094	2,187	...	(2,187)	(2,094)
Total, External Program	$14,385	$14,113	$13,512	$14,113	...	($14,113)	($13,512)
Financing from Prior Year Appropriations	($1,667)	($1,355)	($1,355)	...	...	...	$1,355
Total, Mines and Minerals	$135,959	$133,449	$127,711	$135,083	$107,100	($27,983)	($20,611)
FTE	2,405	2,381	2,381	2,369	2,251	(118)	(130)

BIOGRAPHICAL SKETCH

David S. Brown
Deputy Director, Bureau of Mines

David S. Brown was appointed Deputy Director, Bureau of Mines on November 12, 1985. Mr. Brown has been with the Department of the Interior since 1981. From 1981 to 1983, he was Deputy Director, Congressional and Legislative Affairs, in the Office of the Secretary. He served as the Assistant to the Secretary and Director, Congressional and Legislative Affairs under Secretary Donald P. Hodel and his two immediate predecessors, William Clark and James Watt.

Before joining the Department of the Interior, Mr. Brown was employed as a Senior Public Policy Analyst for Gulf Oil Corporation in Houston, Texas. Mr. Brown served on the Congressional staff of U.S. Congressman Clarence Miller (R-Ohio), as a legislative assistant from 1969 to 1973 and as the Staff Director from 1974 until 1979.

Mr. Brown was born in Athens County, Ohio, on February 6, 1947. He was graduated cum laude in government and economics from Ohio University in 1969. He resides in Falls Church, Virginia with his wife, Nancy and their seven-year-old daughter, Stacey.

BUDGET REDUCTIONS

Mr. **Yates**. Mr. Horton, it looks as if you are taking a beating as far as your budget is concerned. Is there a reason for that?

Mr. **Horton**. Yes, sir. The Federal deficit is the principal driving force.

Mr. **Yates**. What happens to the work of the Bureau of Mines?

Mr. **Horton**. It must be decreased to accommodate necessary budget reductions.

Mr. **Yates**. So minerals research on health and safety will be reduced by $6 million, mining technology will be reduced by $2.8 million, minerals and materials will be reduced by $5.8 million, for a total of $14.708 million in minerals research.

How much of a cut is that? Ten percent would be $6 million. So you have been cut about 21 percent.

Mr. **Horton**. Yes, sir.

Mr. **Yates**. Okay. I guess OMB doesn't think very much of your work, does it?

Mr. **Horton**. I don't believe that that is the case.

Mr. **Yates**. Okay. All right. I took your play away, I didn't mean to do that. Tell us how you are going to do the work of the Bureau of Mines with a budget that has been reduced so much.

Mr. **Horton**. Obviously, we will do less work than we have in the past.

Mr. **Yates**. What less work will you do?

Mr. **Horton**. It is pretty much across-the-board reductions with the exception of the minerals information area where we are at about minimum level. The minerals information activity is one of the more important activities. It requires a certain level of funding and staffing in order to do the work that they accomplish. So it has been maintained at about level funding, as has the mineral data analysis program, which also supports that work.

RESPIRABLE DUST

Mr. **Yates**. Well, Mr. Horton, let's look at health engineering technology. Respirable dust. In fiscal year 1985, you had allotted $6,207,000 for that purpose. In 1986, you asked for $4 million. We didn't let you cut it to $4 million. We granted you $6.283 million, and then that was adjusted to $6 million.

Now, in 1987, you are coming in with a request for $4.416 million. Does the research on respirable dust have any meaning?

Mr. **Horton**. Indeed it does, Mr. Chairman.

Mr. **Yates**. Why are you being cut by almost $2 million? It is being cut by about $1.6 million. What happens as a result? What are you going to give up?

Mr. **Horton**. We give up funding for the Respirable Dust Generic Center at Penn State and West Virginia.

RESEARCH AT UNIVERSITIES

Mr. **Yates**. Penn State and West Virginia? At what other universities do you have research?

Mr. **Horton**. There are 31 mineral institutes. We have 31 plus five generic centers. Penn State and West Virginia are the lead institutes in the Respirable Dust Generic Center and MIT and the University of Minnesota are affiliates.

Mr. YATES. Why did you pick Pennsylvania and West Virginia? Because you have Mr. Byrd in West Virginia and Messrs. Murtha and McDade in Pennsylvania, so you expect to get the money back?

Mr. HORTON. No, sir, we are not looking at getting the money back. We have proposed no funding for research outside the Bureau, as I note in the table with my statement, and that is an open effort to maintain the maximum efficiency of operations within the Bureau of Mines.

RESEARCH AT PENN STATE

Mr. YATES. Well, let's look at what Penn State says will be lost as a result of your cancelling that contract. This whole statement may go into the record. This is a statement prepared by Robert L. Frantz and R.V. Ramani, and this is entitled "The Generic Mineral Technology Center for Respirable Dust."

[The information follows:]

THE GENERIC MINERAL TECHNOLOGY CENTER FOR RESPIRABLE DUST

by

Robert L. Frantz and R. V. Ramani
Co-Directors

PURPOSE AND SCOPE

The Generic Mineral Technology Center for Respirable Dust was created in August 1983 to mount an accelerated attack on the fundamental research problems which impede both the understanding and the control of serious health hazards associated with respirable dusts in mine atmospheres. The Center's research program explores the health and safety concerns in a multidisciplinary research approach employing physicists, chemists, biologists, biochemists, industrial hygienists, medical doctors and mining, chemical and mechanical engineers working in a concerted and cooperative manner to deal with the multi-pronged nature of the black lung problem. The research work concentrates on (1) control of dust generation; (2) dilution, dispersion and collection in mine airways; (3) characterization of dust particles; (4) interaction of dust and lungs; and (5) relationship of mine environment, geology and seam characteristics to dust generation and mobility. The fundamental characteristics of this work are applicable to control of respirable dust problems in hard rock mines as well and to other dusts such as diesel-generated. At the present time, there are 32 researchers (and an equal number of graduate assistants) working on 26 research projects in the above five areas. Never before has such a coordinated research work started on understanding the fundamental aspects of respirable dust, the nation's most severe industrial health problem.

RESEARCH NEEDS

The Center has based its research on the findings, conclusions and recommendations of the Committee of the National Academy of Sciences (NAS) specifically appointed to study the respirable dust problem in mines and to identify research gaps and propose projects to close these gaps.* The Committee found that the knowledge of the fundamental mechanisms by which coal mine dust is generated and a part of it is entrained in the mine atmosphere as respirable dust is not sufficient to clarify, let alone control, the processes involved. The Committee felt that to make further significant progress (to reduce concentrations of respirable coal mine dust) requires a new approach directed more toward obtaining fundamental understanding of the origin, transport, and characteristics of respirable coal mine dust and its interaction with the lungs. According to the Committee, factors other than concentration significantly affect the incidence of coal mine worker's pneumoconiosis and therefore recommended that variations in the composition and other characteristics of respirable dust from different coal seams should be studied. The Committee also concluded that if better understanding of the interactions among constitutional factors (humans) -- air space sizes, characteristic retention times, and immunological responses -- could be obtained through additional research, a basis may be established for screening tests that could identify miners especially susceptible to the development of CWP either before or early in their employment.

The Committee's concern and recommendations for new and strong focus on fundamental aspects of respirable dust, its characteristics and impacts on miners are well documented and form the cornerstone of the Center's research program.

PROGRESS TO DATE

Significant developments and findings from the Center's research for the initial two-year funding include:

Control of Dust Generation - New techniques and associated equipment to study crack propagation in coal for determining fracture toughness have been developed which can lead to a better determination of the dust generation potential of a particular coal.

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*National Academy of Sciences, "Report of the Committee on Measurement and Control of Respirable Dust," NMAB-363, 1980.

Dilution, Dispersion and Collection in Mine Airways - Behavior of airborne dust in mine atmospheres is being pursued through mathematical, laboratory and field studies. These have enabled researchers to determine the concentration of respirable dust as a function of source characteristics (continuous miners, etc.), air velocities, mine airway size, etc. The results from these studies will contribute to developing strategies which can keep the miner away from dust sources and dust away from coal miners.

Characterization of Dust Particles -- Characterization work thus far has made some significant findings in such areas as wettability of various coals, reactivity of various coals, and variability of trace elements with types of coal. These results have raised some fundamental questions on dust generation and control which remain to be resolved. All these impact on the behavior of respirable dust in mines and the interaction of dust on lungs.

Interaction of Dust and Lungs -- For the first time, researchers are working with a suite of dust samples which have been characterized and are using the characterized dust in a standardized set of research tests. They are involved in studying aspects of dust-lung interaction that lead to the killing of lung cells, destruction of lung structural materials, stimulation of fibrosis and perpetuation of lung inflammation. The results from this research are significant for identifying agents causing undesirable lung responses and for their control.

Relationship of Mine Environment, Geology and Seam Characteristics to Dust Generation and Mobility -- The premise that variable coal mine dust characteristics do make a difference in the engineering of mine systems and mine worker locations is being investigated. Basic data is just not there at present and fundamental study and additional data are needed.

In summary, we feel that the Center's work is responsive to the research and data needs in areas which have been identified as having major gaps in knowledge and are of highest research priority in the NAS study. The points raised by the NAS Committee continue to be true today though our knowledge and understanding of some of these areas have definitely improved.

FUTURE PLANS

Future plans of the Center are to continue to effectively integrate research efforts in the scientific, engineering and medical components of the research studies and accomplishments in the five major areas. This will include expanded utilization of the variable dust characteristics in the dust/lung interaction investigations. It will involve studies utilizing nuclear magnetic resonance, spectroscopy, small animals as well as primates to test the medical hypotheses regarding such aspects as cell injury, mucus alteration, and immune reactions.

In the area of dust generation, studies will be continued on understanding the fundamentals of dust breakage, tendencies to be airborne and coagulation and agglomeration characteristics of respirable dust. The studies in the dust dispersion, transport and deposition areas will concentrate on understanding the fundamentals of these phenomena as well as investigating such areas as sampling strategies, concentration variations as a function of size, etc.

In the characterization area, work will be done on the impact of changes in respirable dust characteristics (size, shape, chemical, mineralogical), as a function of the mining conditions. Attention will be directed to not only constituents such as silica but also trace elements.

We would like to point out with the first two years funding special endeavors have been made to ensure that a highly qualified interdisciplinary and multidisciplinary research team has been assembled to make meaningful contributions. This team has already made significant contributions identified earlier and is pursuing leads which have great potential for understanding and reducing the incidence and severity of respirable dust disease.

NECESSITY FOR FUNDING

The continued funding of the Center is essential for creating and applying new data and new knowledge to the understanding of the fundamental mechanisms for respirable dust control and black lung disease. The termination of the Center's funding would be disastrous because of the following reasons:

(1) This fundamental research is not being carried out anywhere else.

(2) There is reason to believe that all questions have not been addressed.

(3) There is no reason to believe that questions that have been addressed have been completely answered.

(4) It is believed that the achievements being made in the Center will contribute to the abatement of the black lung problem.

(5) Termination of the Center's research program will not only prevent further progress but will even prevent the consolidation of the present research findings to useful practices.

(6) The unique combination of medical, engineering, and scientific researchers and the concerted fundamental approach will be destroyed.

At the present time, mine workers are still contracting black lung disease. The human sufferings of victims and dependents are continuing. Black lung compensation and cost to the industry have been escalating. The termination of fundamental investigations of the Center will send a distressing message to the coal industry and the coal miner that controlling the nation's most severe industrial health hazard is not important.

The need for continuing the integrated fundamental research of the Center is, therefore, vital.

FUNDAMENTAL RESEARCH AT PENN STATE

Mr. **Yates**. It starts out by saying that its center was created to mount an accelerated attack on the fundamental research problems which impede the understanding and control of serious health hazards associated with respirable dust in mine atmospheres. Under the heading "Necessity for Funding", they say their fundamental research is not being carried out anywhere else. Is that true, do you know?

Mr. **Horton**. Yes, generally. Niock does some medical research; we have done, and continue to do, respirable dust research and we work carefully with Penn State and West Virginia to be sure there isn't duplication.

Mr. **Yates**. The whole statement will go into the record, and we will consider it.

NOISE CONTROL

Noise control, you got approximately $1.2 million in 1986, and that is being eliminated entirely this year, isn't it?

Mr. **Horton**. It is in a new area.

Mr. **Yates**. Is it? How much money is available in the new area?

Mr. **Horton**. It is under physical and chemical agents, for a total of $939,000. But there is substantial decrease in the noise control.

Mr. **Yates**. That includes noise control and industrial hygiene and radiation hazards, doesn't it?

Mr. **Horton**. Yes.

Mr. **Yates**. Ventilation has been cut out entirely. Ground control goes from $8.2 million in FY 1985 to $8.7 million in FY 1986, to $8.3 million in FY 1986 down to $8.059 million in FY 1987, a reduction of $337,000. Industrial hazards were cut by $657,000; mine disaster prevention—this is the first time you got an appropriation for that, and for that you are asking to $2.892 million. You have eliminated fire and explosion, methane control and postdisaster; for explosives you are asking for $1.436 million; and for systems engineering, you are requesting $2.022 million. So you are losing about $4.5 million for safety hazard reduction, too, aren't you?

Mr. **Horton**. Yes, sir. Fire hazards, explosion prevention, survival and rescue, and methane control have been grouped under "Mine Disaster Prevention".

RESEARCH TEAMS

Mr. **Yates**. What happens as a result of all these cutbacks to the programs that are in existence? Do you have teams of research people who are now engaged in this research, and what will happen to those teams?

Mr. **Horton**. The teams will be smaller.

Mr. **Yates**. Will they be abandoned?

Mr. **Horton**. No, sir. We will continue efforts, though reduced in the major areas.

FTE REDUCTIONS

Mr. **Yates**. You are cutting back by 100 FTEs, right?

Mr. **Horton**. Yes, sir.

Mr. YATES. Where will those hundred be taken from?

Mr. HORTON. If I could back up, with a little history, perhaps, it will demonstrate it better.

Mr. YATES. You may proceed.

Mr. HORTON. Since I came on board in 1981, the staffing in the Bureau of Mines has been reduced from approximately 2950, speaking of FTEs, to 2381 for this year, and 2251 proposed for next year. With the exception of about 70 of those, that has all been accomplished through attrition. Attrition through resignations or retirements continue. At the present time, our FTEs are about 2290. I haven't seen that it would be appropriate to add to that for this year because of the reduction for next year. The reductions have been accomplished, then, and continue to be accomplished largely through attrition.

CENTER CLOSURES

Mr. YATES. Are you closing any centers?

Mr. HORTON. We are contemplating closing one center. We are looking at Avondale, the Avondale Research Center.

BUDGET REQUESTS

Mr. YATES. Let's look at your request to OMB. You ask the department for roughly $116 million. The department thought you weren't asking for enough, and they raised you by $1 million. And so you went to OMB for a request for $117 million, and OMB cut you back by $10 million. Mineral institutes were cut by $5 million, weren't they?

Mr. HORTON. Yes, sir.

FTE LOSSES

Mr. YATES. How many FTEs will you have lost in the last three years?

Mr. HORTON. I can tell you that, sir.

Mr. YATES. You have been going down every year, have you not?

Mr. HORTON. Yes, sir.

RELATIONSHIP WITH PRIVATE INDUSTRY

Mr. YATES. Is any other agency taking on the work that you are losing?

Mr. HORTON. No, sir.

Mr. YATES. Is private industry taking on that work?

Mr. HORTON. In general, I would have to answer no. There are some smaller areas of work, perhaps, but with the hard rock industry the way it is, their research labs have been closing. On FTEs in the last few years, in 1983, our ceiling was 2640; in 1984, 2498; and in 1985, 2405; and for 1986, 2381.

Mr. YATES. What is the total of that?

Mr. HORTON. So from 1983, we have gone from 2640 to 2381, a decrease of 259.

Mr. YATES. Were you overstocked with employees before then?

Mr. HORTON. No, sir. The programs that the Bureau has had and that have not been funded this year are good programs, including those at the Generic Centers and elsewhere. I won't apologize for the work conducted under any of those programs. It would be my deep desire to maintain those programs.

But the facts of the budget require that cuts be made, painful as they are.

PROJECT 2000 GOALS

Mr. YATES. Well, what will happen to your goal, project 2000, A Strategic Plan for the Bureau of Mines, July 1985? We turn to page 60, and your program is to provide a technology for the mining industry that will lead to a 25 percent reduction in fatal accidents and a 50 percent reduction in nonfatal accidents by the year 2000. Are you going to be able to meet that goal with the reduced budget?

Mr. HORTON. I believe so at this level, sir.

Mr. YATES. Well, wasn't your Project 2000 based upon a certain level of contribution that a certain number of employees were going to make?

Mr. HORTON. In large part, it was. Other initiatives and goals are dependent upon what level the funding is. There are some activities that we won't presently attempt. But certainly in the health and safety area, it was looking at a minimum level of funding.

MINE INJURIES AND FATALITIES

We have been successful, or the industry, in cooperation with the Bureau, has been successful in substantially reducing both injuries and fatalities. The injury rate now is about the same, or a little bit less than all of industry. The fatality rate remains higher, despite the substantial decrease that has occurred. Last year, fortunately, set a record with only 67 killed in coal mines. That 67 is 67 too many, but substantial success has been achieved if you look back to the start of the Bureau, when over 2,000 were being killed each year.

BLACK LUNG

Mr. YATES. Let's look at black lung.

Mr. HORTON. Black lung remains a problem. The Government has paid out somewhat over $17 billion for black lung payments.

Mr. YATES. Your annual compensation, you say, costs about $1.9 billion, almost $2 billion.

Mr. HORTON. That is right. Much of that, certainly not all of it, but the large bulk of that reflects past practices where excessive amounts of coal dust were allowed in the mine atmosphere.

Mr. YATES. That is not true today?

Mr. HORTON. No. Because of MSHA requirements, exposure has been substantially reduced. The effects of those reductions for the black lung payments is yet to be seen, but we will continue to work on respirable dust.

Mr. YATES. At a lesser scale?

Mr. HORTON. At a lesser scale, obviously.

Mr. YATES. Is there a chance the lesser scale research might result in higher black lung payments?

Mr. HORTON. I don't know that I could honestly answer that, Mr. Chairman.

Mr. YATES. Have black lung payments been coming down?

Mr. HORTON. No, sir, they have not.

Mr. YATES. Does that mean that your research on respirable dust was not effective?

Mr. HORTON. No, sir, because black lung payments represent two variables. One is past history. It takes many years to develop black lung, and we are seeing black lung diseases today that developed by reason of exposure many years ago. Also, the payments are affected by the black lung program itself, as to who is covered and who isn't covered, and that has changed somewhat over the past ten years.

NOISE CONTROL FUNDING

Mr. YATES. Mr. Horton, last year you told Mr. Murtha a possibility exists, because of noise, of a black lung-type of situation. You say, "the noise effect isn't nearly as serious as black lung. However, it still can represent a substantial liability or responsibility to the Federal Government, just as paying for the black lung problems of miners is. The 1985 appropriation was $1,205,000. This year, we are asking for $1.157 million, a $48,000 decrease. The noise work proceeds in the lab. We are looking at quieter driller devices in shrouded steels."

This year you are reducing that program by 20 FTEs. Are you inviting another liability program by the Federal Government comparable to the black lung program as a result of your cutbacks?

Mr. HORTON. The reduction in the FTE ceiling isn't necessarily a cutback. Those people are being transferred to another heading: physical and chemical agents. There will be a reduction in the level of funding for noise control, and I would hope that it would not be reflected in later statistics, in view of the research work that we have accomplished to date.

OVERALL MINERAL SITUATION

Mr. YATES. What about Dr. Morgan's program, strategic and critical materials? Is that being reduced too?

Mr. HORTON. Well, the strategic and critical minerals research is not under Dr. Morgan. Dr. Morgan's responsibility includes the mineral institutes and relations——

Mr. YATES. Why do I have the impression Dr. Morgan used to lecture on materials——

Mr. HORTON. He does. Because he is responsible for those programs throughout the Government.

Mr. YATES. Usually we had a lecture by Dr. Morgan at this time, didn't we?

Mr. HORTON. At this time, Dr. Morgan has handouts that would be appropriate to cover that.

Mr. YATES. I wouldn't let Dr. Morgan's time in the sun be lost. Dr. Morgan, do you have some handouts?

Dr. MORGAN. Yes, sir, we have some handouts. The overall mineral situation, sir, has not changed drastically from one year to the other.

What we have here, sir, is——

Mr. YATES. Have you fallen on hard times, Dr. Morgan?

Dr. MORGAN. No, sir. We are doing our very best to support the President and all of his programs, sir, and that is why we have cut down a little bit on our colored charts, and instead have this system this afternoon. But the information is right here and up to date.

PRODUCTION OF MATERIALS

Figure 1 is a comparison of the Soviet Union and the United States production of major materials. They are ahead of us in oil production and are an exporter, while we are somewhat of an importer. They are ahead of us in gas production and are an exporter, while we are slightly an importer. They are a good bit behind us in coal production, even though their tonnage is about the same, but their data deals with raw coal, while ours is clean coal.

Last year was one of the highest years of coal production in this country ever, 890 million tons in round numbers. The USSR produced about five times as much iron ore as we did. As for raw steel, they are about double our tonnage, though their quality is by no means the same, so it is closer to one-on-one comparison. They produce less aluminum and copper than we do, but in lead and zinc, they are somewhat ahead, and almost double on cement production.

The Soviet Union has come a long way in their avowed intention of overtaking the United States on mineral production.

Figure 2 shows the role of nonfuel minerals in the U.S. economy. Last year we produced $24 billion worth of raw minerals and imported $4 billion worth of raw minerals. We then produced $244 billion of processed minerals which gives us about an eight-to-one value added by manufacturing.

We also imported $32 billion of manufactured mineral materials. All these materials supported our gross national product of nearly four trillion dollars. We also had exports of $19 billion.

Now, the next figure, sir, and we prepared these so they would be easy to insert in the record, if you wish.

Mr. YATES. They may go into the record.

NONFUEL MINERAL DEFICIT

Dr. MORGAN. Figure 3 shows the nonfuel mineral deficit. To put this in perspective, last year the U.S. merchandise trade deficit was of the order of $149.5 billion. We imported about $52 billion worth of petroleum. Our total deficit in nonfuel minerals was of the order of $17 billion. Some of the items on the bar graph are so small that you can't really see them in the proportion of the graph, so we inserted a little table which details the materials which are difficult to read.

Interestingly, if one compares the deficit of $17 billion and the imports of iron and steel of $11.5 billion, there is an industry which is not producing anywhere near capacity in this country, but imports are a major contributor to the deficit.

Mr. YATES. Why are we doing that?

Dr. Morgan. They can produce the material abroad more cheaply, and that is why the Presidents' trade representatives have signed agreements with 17 different countries to try to limit imports of a variety of steel products into this country.

Also, you will note, sir, we imported a fair amount of aluminum, even though the domestic industry is also not producing at full capacity. The reason for that is that there is cheaper power abroad, and the aluminum industry in a peacetime situation is moving new plants abroad and closing plants in this country that are uneconomic.

Mr. Yates. Where are they moving them?

Dr. Morgan. Australia is coming up fast as is Brazil, and there are some more in Africa.

IMPORT DEPENDENCE

Figure 4, sir, is the traditional one that we have used in our hearings here on import dependence of the United States. The relative position of some items may change a little bit each year, but they are essentially the same as last year. If you compare Figure 4 to Figure 5 on the E.E.C. and Japan, you can see that the European Economic Community and Japan are even more dependent on imported materials than is the United States.

In contrast, Figure 6 covering the Soviet Union, shows that the Soviet Union is largely independent of imports because they have maintained a long-term policy of being self-sufficient in mineral production.

STRATEGIC STOCKPILES

Mr. Yates. There is an item, Dr. Morgan, that appeared in the New York Times on March 7th, "A Crisis in Strategic Materials is Coming." It says that our strategic stockpiles are totally inadequate, and this may go into the record.

[The information follows:]

[From the New York Times, Mar. 7, 1986]

A Crisis in Strategic Materials Is Coming

To the Editor:

If you think that America's dependence on foreign oil is a serious matter, it is nothing compared with our dependence on foreign supplies of strategic metals. Each passing day puts the United States closer to a raw-materials crisis that threatens our economic and military survival.

Our strategic stockpiles are totally inadequate. We would be unable to sustain ourselves in a prolonged conflict if our raw materials were cut off, forcing us to resort to quick, massive retaliation—the very thing we all fear.

If war were not the issue and our supplies were cut off, our industries would suffer a shattering blow, causing widespread unemployment, destruction of our industrial base and a complete halt to our standard of living, as the few critical supplies were diverted to defense.

Africa is the primary world source of most of these strategic metals. The remainder come from Iron Curtain countries. Africa contains 80 percent of the managanese, 57 percent of the chromium, 67 percent of the cobalt, 70 percent of the platinum group and 37 percent of the vanadium. There is no viable way to produce the steels that we need without a sure, continuing supply of these critical materials.

Yes, apartheid in South Africa is wrong. But threats of economic starvation of South Africa can only lead to its downfall, thereby causing a disruption, if not complete elimination, of these crucial supplies.

While budget matters are important, they pale in comparison with this critical problem. What is our Government doing to assure an uninterrupted and economical supply of these materials?

JAMES SLATTERY,
Vice President-General Manager,
Teton Machine Co.

PAYETTE, ID, *Feb. 21, 1986.*

STOCKPILE GOALS

Mr. **YATES**. The letter is by James Slattery, Vice President of Teton Machine Company, Payette, Idaho. How accurate is his prediction?

Dr. **MORGAN**. Sir, I can report the results to you of a detailed study by the National Security Council. President Reagan, about two years ago, directed the National Security Council to make a detailed study of the stockpile, and that study went on for a period of about two years. It involved participation of about a dozen agencies in the Federal Government, including the Defense Department and the National Security Council. The Department of the Interior, put in all of the information on minerals, and, in fact, I can report to you that the National Security Council was so happy with what we put in on minerals that they asked us to compile from other agencies the remaining information on the 13 agricultural commodities, which are also strategic and critical materials, so it would be in a uniform format. The State Department, the CIA, the Defense Intelligence Agency, the Departments of Energy, Commerce, and Treasury, the Council of Economic Advisers, and the FEMA, all participated in this study.

Figure 7 describes the final result that came out in mid-1985, and is rather surprising until you look into the details. And I have here, sir, a table 1, which is much too detailed to study, but I will endeavor to summarize it.

This table shows the FEMA stockpile goals that were in existence before the National Security Council study. At that time, stockpile goals were valued at about $16 billion to $17 billion. The amount on hand in the stockpile is valued at about $10 billion.

The President, after looking into this, and I can assure you, sir, without going into the classified details at an open hearing here, that he, himself, has looked into this, came up with the result that at first glance is rather startling. They decided that the "Stockpile Goals" need only be of the order of $700 million, compared to a prior figure of $16 billion to $17 billion. That is a reduction of over 90 percent.

The President also said that we should maintain a so-called "Supplemental Reserve" of materials valued at about $6 billion. So the total stockpile that the President would maintain is $6.7 billion.

Now, how did they ever get such a reduction from $16 billion to $17 billion to $700 million? If you would like, I can——

Mr. **YATES**. How in the world did they do that, Doctor?

Dr. **MORGAN**. I can give you some of the unclassified reasoning behind it. One is that we are dealing with the difference between two large numbers on the one hand; a requirement, and on the other a supply. And if you lower the requirement somewhat and you raise the supply somewhat, the difference between two large numbers can vary all over the place.

Mr. **Yates**. What you are saying, it all depends on your premises as to how much you need?

Dr. **Morgan**. That is correct. Now, what went into this study were the military requirements for a three-year conventional war of the World War II-type. The law requires that we plan on a minimum of a three-year war. The study took into account the military requirements, the essential industrial requirements, and the essential civilian requirements, so that built up a total figure for requirements.

Mr. **Yates**. $16 billion?

Dr. **Morgan**. No, sir, that was the old stockpile goal. The total requirements would have been many billions of dollars more. So then the study set off against that how much would come from U.S. in wartime, plus how much would come from strategically accessible countries in wartime, and the deficit is the stockpile goal. It is the difference between these two large numbers.

Now, the difference in this new study, as against the old studies, was that they—for the first time, and I have been involved in these studies ever since 1948 on and off—they made a worldwide supply demand analysis instead of just estimates of what U.S. imports would be. And there have been major improvements in world supply of these commodities. In Australia, in Africa, in Latin America and so forth, there have been substantial increases in supply that were not considered before.

At the same time, we have made reasonable progress in our defense posture. It is not perfect, but we have improved it. Secretary Lehman talks of a 600-ship Navy, and we have, I understand, 550 of those vessels on hand today. We have 2.1 million uniformed people in the armed services.

Then when we look at the U.S. civilian economy, we find a very high level of goods in existence. There are 170 million licensed motor vehicles, which is more than one motor vehicle per licensable driver. There are 92 million dwelling units, which is about 2.6 persons per dwelling unit. Therefore, when you calculate the requirements for the military, the essential industrial, and the essential civilian needs, you find that in a three-year war, there is not the need for as large a production of many items to meet essential needs as in peacetime. There may very well be production beyond the essential needs, but only a need to stockpile to meet the essential ones. At the same time, there is a significant improvement in world production.

CHROMIUM

Let me show you figures covering the four commodities that people tend to worry about the most at the present time, and which are undoubtedly the ones that the gentleman referred to in the newspaper story that you have. Figure 8 covers chromium. This is a more detailed type of analysis than the type that has been gone into in the National Security Council study. On the left of the heavy line is the Soviet Bloc. So you can see that they are essentially self-sufficient, and indeed they have an exportable surplus from Albania, which is currently supplying the free world because the Albanians need money.

But the mine capacity greatly exceeds the consumption in the world, and even if there were difficulties in South Africa and Zimbabwe, which is probably what the gentleman is referring to in your clipping there, there are still other sources of mine supply, other sources of smelter capacity, and the existing U.S. stockpiles are rather sizable.

MANGANESE

Figure 9 covers manganese. The four they worry about are manganese, cobalt, chromium and platinum. We have set this up on the same basis, mining capacity at the top, followed by smelter capacity, consumption, and U.S. stockpile. You will note here, sir, that the Soviet Bloc is again self-sufficient, and South Africa and Gabon play a fairly important role in world supply, and yet there are a number of other sources of manganese, like Brazil, Mexico, China, India, and these are all sources that the Bureau of Mines has identified in the studies that you will hear about covering our mineral information and our minerals availability system.

The data cover existing capacity and, do not include items like the nodules out in the sea. Nor do these data include deposits on the public lands that we hope will be found where the President wants increased access for exploration on the public lands. Our data covers only known deposits with known productive capacity.

COBALT

Figure 10 covers cobalt, which is essential to the jet engines. Here, Zaire and Zambia are major suppliers, but the Soviet Bloc is a little short of cobalt. You will notice, sir, that Cuba supplies about 40 percent of the total mine capacity of the Soviet Bloc. This is one of the reasons why the Soviet Union is so anxious to hang onto Cuba. They get not only sugar and soldiers, but they also get nickel and cobalt and tobacco, all of which are useful in their economy.

PLATINUM

And, finally, sir, Figure 11 covers platinum. Here again, the Soviet Bloc is self-sufficient, and indeed they have some exportable surplus, so they are a factor in supplying the world, but South Africa is a major supplier. We probably would have somewhat more of a problem if there was interference with platinum from South Africa, but there are alternatives. The platinum catalytic converter, which accounts for about half of U.S. use of platinum at the present time, is supposed to last for about 50,000 miles, but there are ceramic catalytic converters which would last 10,000 or 15,000 miles. You have to change it more often. But if something really did happen to the platinum supply, I think there are many other ways around such problems than just using platinum per se.

WORLD MINERAL PRODUCTION

I had indicated to you earlier, sir, that there has been quite a surge in world mineral production. On Figure 12, we have summarized four major materials: steel, aluminum, copper and cement.

Note that world steel production has grown in the last 30 years. This is part of U.S. policy. We have wanted the less-developed countries to improve their economies. We have given them technical aid and loans. And so there has been quite an increase in world production. But notice what happens to U.S. steel production: it drops down. Note world primary aluminum production, same story, world production goes up, U.S. drops down. Note world refined copper production, same story, and world cement production, little U.S. increase in recent years.

DEFENSE PRODUCTION ACT

In conclusion, sir, I usually make a pitch for a legislative matter of importance. I would like to call to your attention that this year the Defense Production Act expires on September 30th of 1986. That act has been on the books ever since the Korean War. That act authorizes priorities, and allocates an executive reserve in which we have over 2,000 senior people standing by to aid the Government in time of emergency. It also authorizes supply expansion. Currently, the Defense Department is working on a number of very high technology materials.

HIGH TECHNOLOGY MATERIALS

I would like to point out that President Reagan, in his July 8th, 1985 statement on the stockpile (Figure 7), made a point that we must study the high technology materials that give us the cutting edge on weapons performance in the future. Not so much the materials that helped us to win World War II, but the ones that we will need if we get into a future emergency.

And I am glad to report that the Bureau of Mines is working on a day-to-day basis with the Joint Aeronautical Materials Activity at Wright-Patterson Air Force Base, that brings together the Army, Navy, Air Force and Marines on the high tech materials. And we are studying at this very time 21 materials, some of which are not even on the stockpile list, in order to determine where the shortages are. You will probably hear later from our metallurgy people that they have memoranda of understanding with various Defense Department agencies to help DOD in their metallurgical work. So that all of the work of the Bureau of Mines ties directly into these national security programs.

Mr. Yates. Thanks, Dr. Morgan.

[The information follows:]

Figure 1

PRODUCTION — 1985		U.S.A.	U.S.S.R.
OIL	billion bbl	3.3	4.4
GAS	trillion cu ft	17.	23.
COAL	million st	890. CLEAN	(800.) RAW
IRON ORE	million lt	48.	244.
RAW STEEL	million st	89.	171.
ALUMINUM	million mt	3.5	2.2
COPPER	million mt	1.1	0.6
LEAD	million mt	0.4	0.5
ZINC	million mt	0.2	0.9
CEMENT	million st	80.	144.

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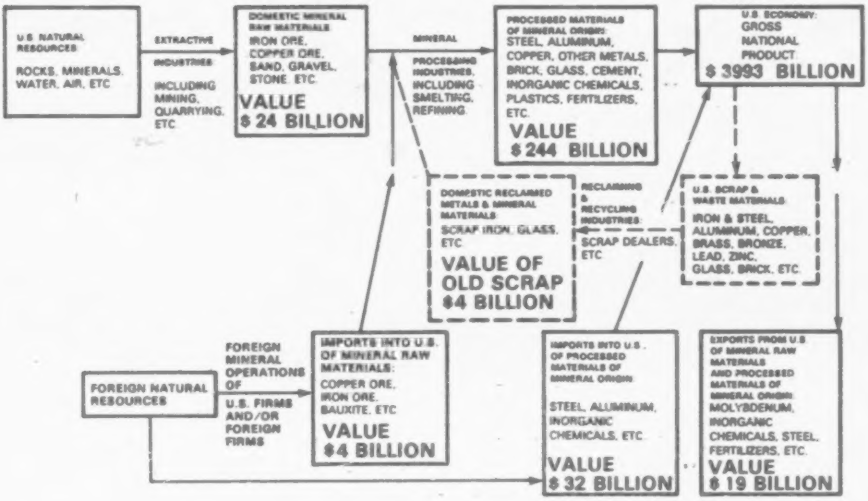
Figure 2

THE ROLE OF NONFUEL MINERALS IN THE U.S. ECONOMY

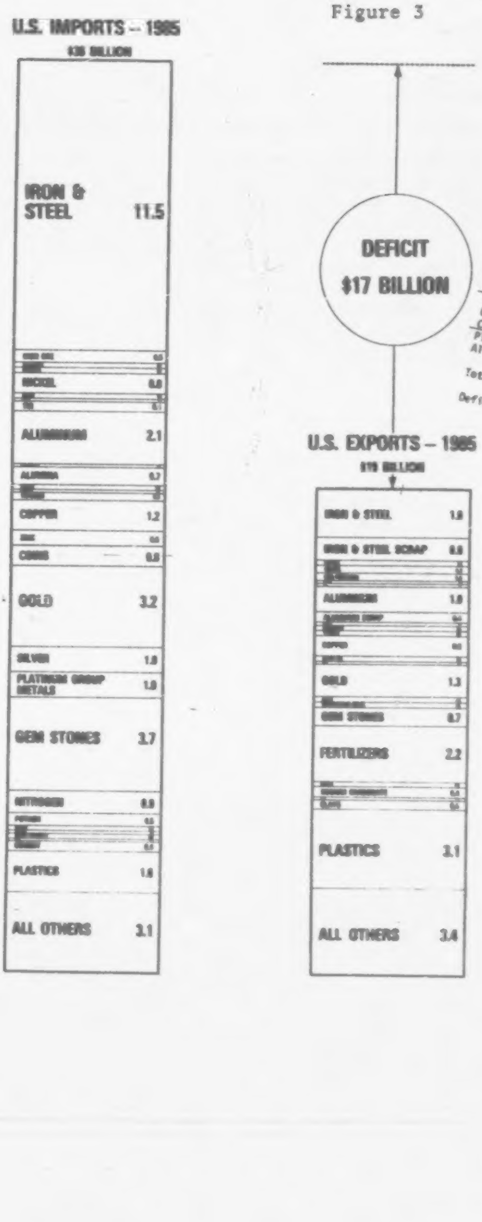
(ESTIMATED VALUES FOR 1985)*



U.S. NATURAL RESOURCES
ROCKS, MINERALS, WATER, AIR, ETC
EXTRACTIVE INDUSTRIES
INCLUDING MINING, QUARRYING, ETC
DOMESTIC MINERAL RAW MATERIALS
IRON ORE, COPPER ORE, SAND, GRAVEL, STONE, ETC
VALUE $ 24 BILLION
MINERAL PROCESSING INDUSTRIES, INCLUDING SMELTING, REFINING
PROCESSED MATERIALS OF MINERAL ORIGIN:
STEEL, ALUMINUM, COPPER, OTHER METALS, BRICK, GLASS, CEMENT, INORGANIC CHEMICALS, PLASTICS, FERTILIZERS, ETC.
VALUE $ 244 BILLION
U.S. ECONOMY:
GROSS NATIONAL PRODUCT
$ 3993 BILLION
DOMESTIC RECLAIMED METALS & MINERAL MATERIALS:
SCRAP IRON, GLASS, ETC
VALUE OF OLD SCRAP $4 BILLION
RECLAIMING & RECYCLING INDUSTRIES:
SCRAP DEALERS, ETC
U.S. SCRAP & WASTE MATERIALS
IRON & STEEL, ALUMINUM, COPPER, BRASS, BRONZE, LEAD, ZINC, GLASS, BRICK, ETC
FOREIGN NATURAL RESOURCES
FOREIGN MINERAL OPERATIONS OF U.S. FIRMS AND/OR FOREIGN FIRMS
IMPORTS INTO U.S. OF MINERAL RAW MATERIALS:
COPPER ORE, IRON ORE, BAUXITE, ETC
VALUE $4 BILLION
IMPORTS INTO U.S. OF PROCESSED MATERIALS OF MINERAL ORIGIN
STEEL, ALUMINUM, INORGANIC CHEMICALS, ETC
VALUE $ 32 BILLION
EXPORTS FROM U.S. OF MINERAL RAW MATERIALS AND PROCESSED MATERIALS OF MINERAL ORIGIN
MOLYBDENUM, INORGANIC CHEMICALS, STEEL, FERTILIZERS, ETC.
VALUE $ 19 BILLION

BUREAU OF MINES, U.S. DEPARTMENT OF THE INTERIOR
(based in part on U.S. Department of Commerce data)

Figure 3



Iron & Steel
Iron & Steel Scrap
Iron Ore
Manganese
Chromium
Nickel
Cobalt
Molybdenum
Silicon
Tin
Aluminum
Aluminum Scrap
Alumina
Bauxite
Magnesium
Titanium
Copper
Copper Ore
Zinc
Coins
Gold
Silver
Platinum-group Metals
Gem Stones
Nitrogen
Phosphates
Potash
Sulfur
Fluorspar
Sodium Chemicals
Salt
Cement
Clays
Plastics
All others

Totals

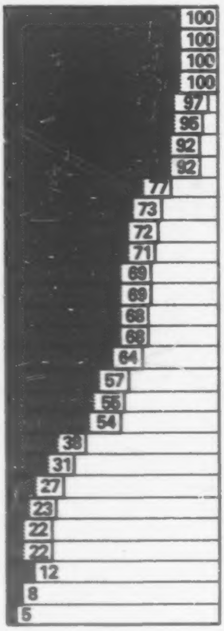
Deficit

Imports	Exports
11.5	1.9
0.5	0.9
0.2	0.2
0.2	
0.8	
0.2	0.3
0.1	0.3
0.4	0.1
2.1	0.1
0.1	1.0
0.7	0.4
0.2	0.1
0.1	
0.3	0.2
1.2	0.2
	3.8
0.6	0.2
0.8	0.1
3.2	
1.0	1.3
1.0	0.2
3.7	0.2
0.9	0.7
0.5	.2 fertilizers
0.2	
0.1	
0.2	
0.3	0.4 Sodium Carbonate
0.4	0.1
1.6	0.4
3.1	3.1
	3.4
36.	19.
17.	

Figure 4

1985 NET IMPORT RELIANCE SELECTED NONFUEL MINERAL MATERIALS

U.S.A.

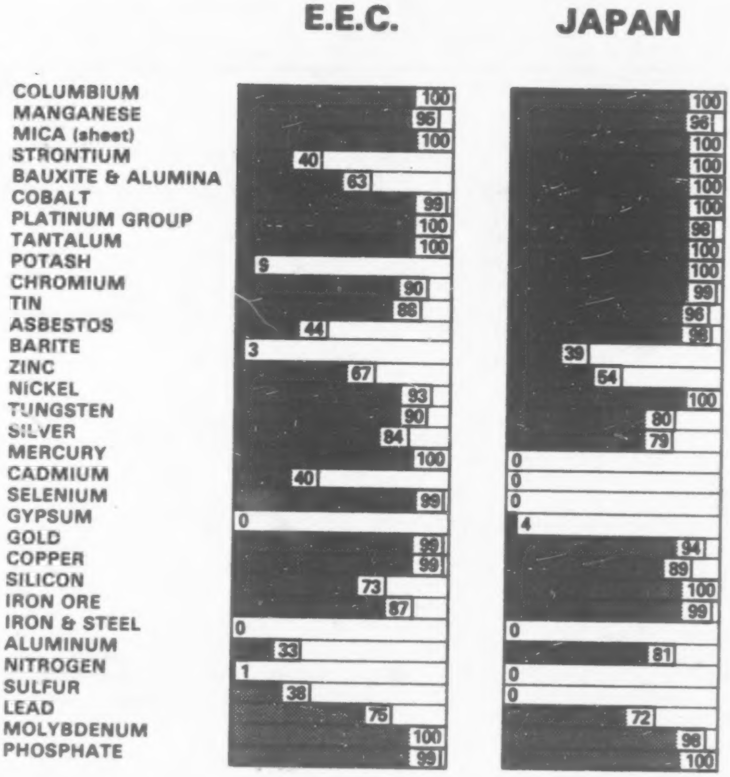


		MAJOR SOURCES
COLUMBIUM	100	Brazil, Canada, Thailand
MANGANESE	100	Republic of South Africa, France, Brazil, Gabon
MICA (sheet)	100	India, Belgium, France
STRONTIUM	100	Mexico, Spain
BAUXITE & ALUMINA	97	Australia, Jamaica, Guinea, Suriname
COBALT	96	Zaire, Zambia, Canada, Norway
PLATINUM GROUP	92	Republic of South Africa, UK, U.S.S.R.
TANTALUM	92	Thailand, Brazil, Malaysia, Australia
POTASH	77	Canada, Israel
CHROMIUM	73	Republic of So. Africa, Zimbabwe, Yugo., Turkey
TIN	72	Thailand, Malaysia, Bolivia, Indonesia
ASBESTOS	71	Canada, Republic of South Africa
BARITE	69	China, Morocco, Chile, Peru
ZINC	69	Canada, Peru, Mexico, Australia
NICKEL	68	Canada, Australia, Botswana, Norway
TUNGSTEN	68	Canada, China, Bolivia, Portugal
SILVER	64	Canada, Mexico, Peru, United Kingdom
MERCURY	57	Spain, Algeria, Japan, Turkey
CADMIUM	55	Canada, Australia, Peru, Mexico
SELENIUM	54	Canada, United Kingdom, Japan, Bel.-Lux.
GYPSUM	38	Canada, Mexico, Spain
GOLD	31	Canada, Uruguay, Switzerland
COPPER	27	Chile, Canada, Peru, Mexico
SILICON	23	Brazil, Canada, Norway, Venezuela
IRON ORE	22	Canada, Venezuela, Liberia, Brazil
IRON & STEEL	22	European Economic Community, Japan, Canada
ALUMINUM	12	Canada, Japan, Ghana, Venezuela
NITROGEN	8	U.S.S.R., Canada, Trinidad & Tobago, Mexico
SULFUR	5	Canada, Mexico

USBuMines

Figure 5

1984 NET IMPORT RELIANCE
SELECTED NONFUEL MINERAL MATERIALS

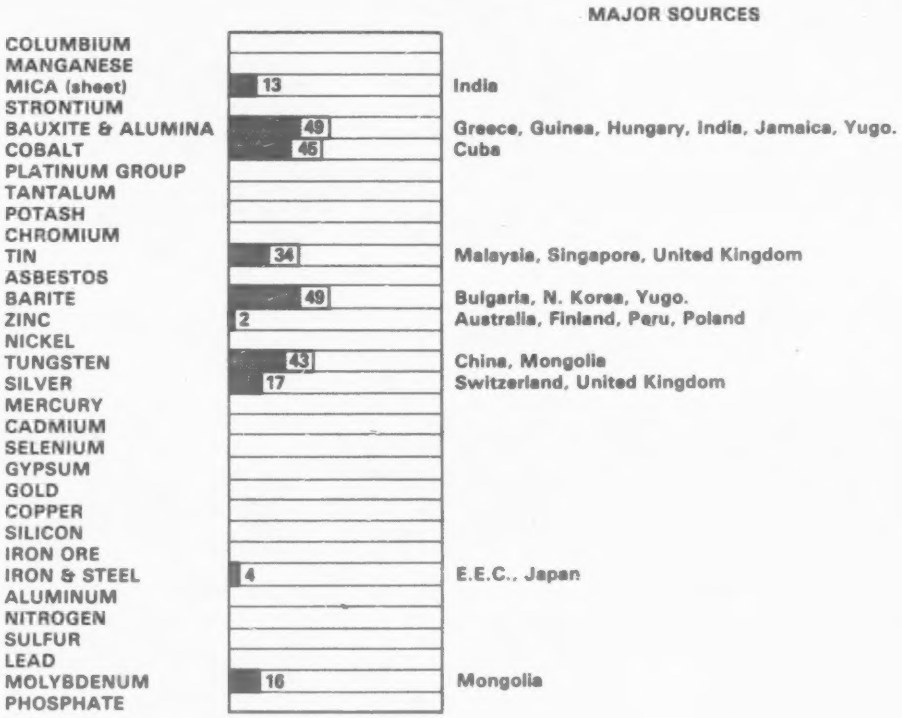


USBuMines

Figure 6

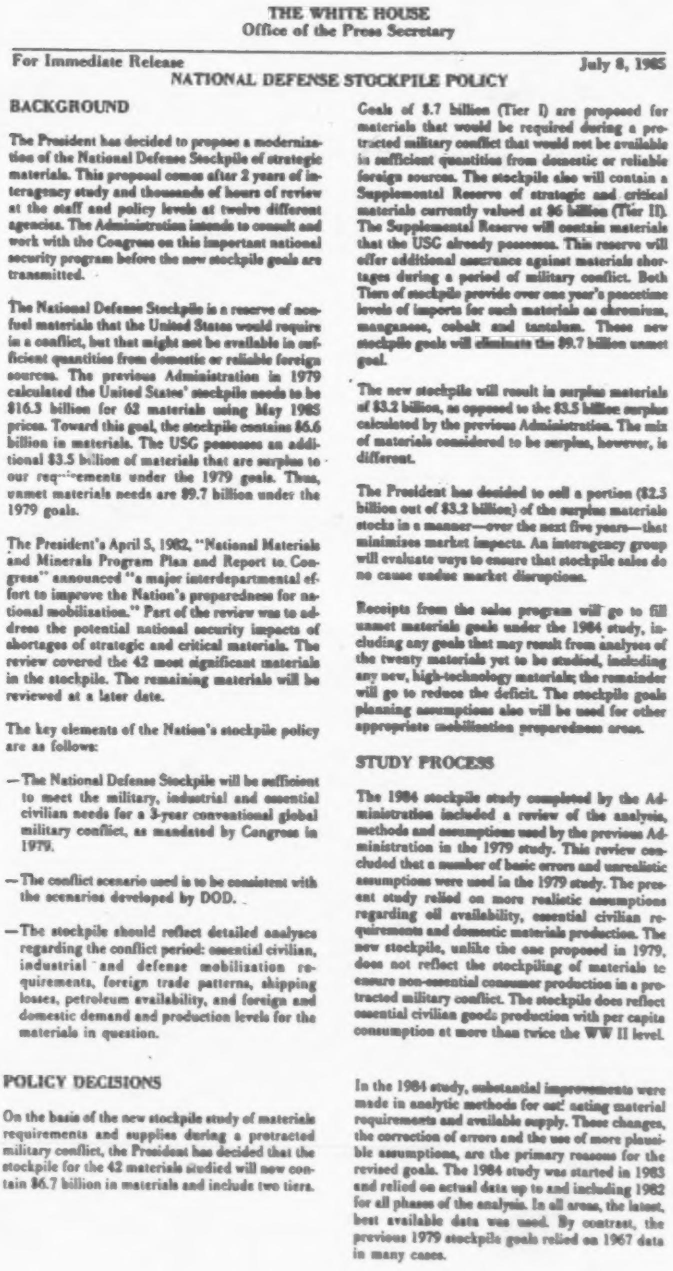
1985 NET IMPORT RELIANCE SELECTED NONFUEL MINERAL MATERIALS

U.S.S.R.



USBuMines

Figure 7



THE WHITE HOUSE
Office of the Press Secretary

For Immediate Release July 8, 1985

NATIONAL DEFENSE STOCKPILE POLICY

BACKGROUND

The President has decided to propose a modernization of the National Defense Stockpile of strategic materials. This proposal comes after 2 years of interagency study and thousands of hours of review at the staff and policy levels at twelve different agencies. The Administration intends to consult and work with the Congress on this important national security program before the new stockpile goals are transmitted.

The National Defense Stockpile is a reserve of nonfuel materials that the United States would require in a conflict, but that might not be available in sufficient quantities from domestic or reliable foreign sources. The previous Administration in 1979 calculated the United States' stockpile needs to be $16.3 billion for 62 materials using May 1985 prices. Toward this goal, the stockpile contains $6.6 billion in materials. The USG possesses an additional $3.5 billion of materials that are surplus to our requirements under the 1979 goals. Thus, unmet materials needs are $9.7 billion under the 1979 goals.

The President's April 5, 1982, "National Materials and Minerals Program Plan and Report to Congress" announced "a major interdepartmental effort to improve the Nation's preparedness for national mobilization." Part of the review was to address the potential national security impacts of shortages of strategic and critical materials. The review covered the 42 most significant materials in the stockpile. The remaining materials will be reviewed at a later date.

The key elements of the Nation's stockpile policy are as follows:

—The National Defense Stockpile will be sufficient to meet the military, industrial and essential civilian needs for a 3-year conventional global military conflict, as mandated by Congress in 1979.

—The conflict scenario used is to be consistent with the scenarios developed by DOD.

—The stockpile should reflect detailed analyses regarding the conflict period: essential civilian, industrial and defense mobilization requirements, foreign trade patterns, shipping losses, petroleum availability, and foreign and domestic demand and production levels for the materials in question.

POLICY DECISIONS

On the basis of the new stockpile study of materials requirements and supplies during a protracted military conflict, the President has decided that the stockpile for the 42 materials studied will now contain $6.7 billion in materials and include two tiers. Goals of $.7 billion (Tier I) are proposed for materials that would be required during a protracted military conflict that would not be available in sufficient quantities from domestic or reliable foreign sources. The stockpile also will contain a Supplemental Reserve of strategic and critical materials currently valued at $6 billion (Tier II). The Supplemental Reserve will contain materials that the USG already possesses. This reserve will offer additional assurance against materials shortages during a period of military conflict. Both Tiers of stockpile provide over one year's peacetime levels of imports for such materials as chromium, manganese, cobalt and tantalum. These new stockpile goals will eliminate the $9.7 billion unmet goal.

The new stockpile will result in surplus materials of $3.2 billion, as opposed to the $3.5 billion surplus calculated by the previous Administration. The mix of materials considered to be surplus, however, is different.

The President has decided to sell a portion ($2.5 billion out of $3.2 billion) of the surplus materials stocks in a manner—over the next five years—that minimizes market impacts. An interagency group will evaluate ways to ensure that stockpile sales do no cause undue market disruptions.

Receipts from the sales program will go to fill unmet materials goals under the 1984 study, including any goals that may result from analyses of the twenty materials yet to be studied, including any new, high-technology materials; the remainder will go to reduce the deficit. The stockpile goals planning assumptions also will be used for other appropriate mobilization preparedness areas.

STUDY PROCESS

The 1984 stockpile study completed by the Administration included a review of the analysis, methods and assumptions used by the previous Administration in the 1979 study. This review concluded that a number of basic errors and unrealistic assumptions were used in the 1979 study. The present study relied on more realistic assumptions regarding oil availability, essential civilian requirements and domestic materials production. The new stockpile, unlike the one proposed in 1979, does not reflect the stockpiling of materials to ensure non-essential consumer production in a protracted military conflict. The stockpile does reflect essential civilian goods production with per capita consumption at more than twice the WW II level.

In the 1984 study, substantial improvements were made in analytic methods for estimating material requirements and available supply. These changes, the correction of errors and the use of more plausible assumptions, are the primary reasons for the revised goals. The 1984 study was started in 1983 and relied on actual data up to and including 1982 for all phases of the analysis. In all areas, the latest, best available data was used. By contrast, the previous 1979 stockpile goals relied on 1967 data in many cases.

Table 1

Table 1. FEMA's STOCKPILE GOALS, (DESIRED INVENTORY MIX), AND INVENTORIES AS OF SEPTEMBER 30, 1983

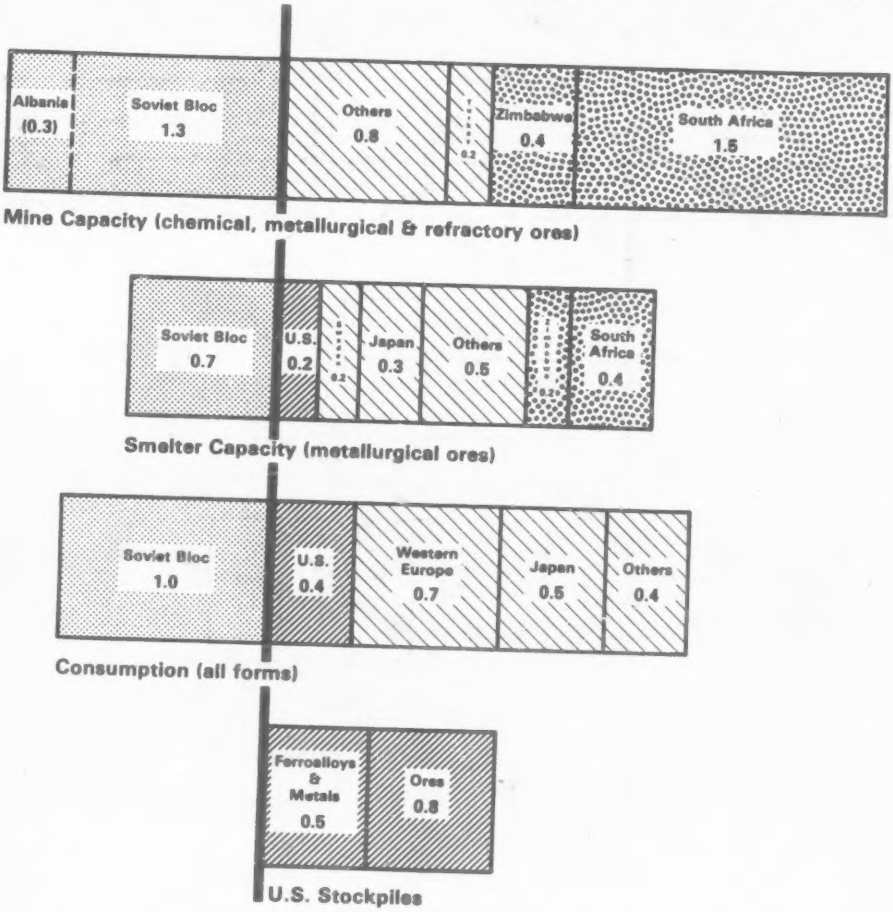
PRESIDENT'S PROPOSED STOCKPILE MODERNIZATION AS OF JULY 8, 1983

	Goal	Inventory	New Goal	Supplemental Reserve
Aluminum Metal Group	7,150,000 ST AL	4,278,912	-	-
(Alumina)	0	0	-	-
(Aluminum)	700,000 ST	2,000	-	-
(Bauxite, Metal Grade, Jamaica Type)	21,000,000 LDT	12,457,760		4,278,912 ST metal equiv.
(Bauxite, Metal Grade, Surinam Type)	6,100,000 LDT	5,299,597		
Aluminum Oxide, Abrasive Grain Group	638,000 ST Abrasive Grain	255,124	-	208,139
(Aluminum Oxide, Abrasive Grain)	0 ST	50,904	-	-
(Aluminum Oxide, Fused, Crude)	0 ST	249,867	-	-
(Bauxite, Abrasive Grade)	1,000,000 LCT	0	-	-
Antimony	36,000 ST	37,843	4,585	-
Asbestos, Amosite	17,000 ST	34,011	-	-
Asbestos, Chrysotile	3,000 ST	10,705	-	-
Bauxite, Refractory	1,400,000 LCT	199,926	-	274,926
Beryllium Metal Group	1,220 Be Metal	1,079	-	437
(Beryl Ore 11% BeO)	18,000 ST	17,987	-	-
(Beryllium Copper Master Alloy)	7,900 ST	7,387	-	-
(Beryllium Metal)	400 ST	280	-	-
Bismuth	2,200,000 LB	2,081,298	-	-
Cadmium	11,700,000 LB	6,328,809	-	-
Chromium, Chemical & Metallurgical Group	1,353,000 ST Cr Metal	1,268,449	199,300	594,123
(Chromite, Chemical Grade Ore)	675,000 SDT	242,414	-	-
(Chromite, Metallurgical Grade Ore)	3,200,000 SDT	2,290,459	-	-
(Chromium, Ferro, High Carbon)	185,000 ST	402,696	-	-
(Chromium, Ferro, Low Carbon)	75,000 ST	318,942	-	-
(Chromium, Ferro, Silicon)	90,000 ST	58,357	-	-
(Chromium, Metal)	20,000 ST	3,763	-	-
Chromite, Refractory Grade Ore	850,000 SDT	391,414	-	180,000
Cobalt	85,400,000 LB Co	50,191,130	22,570,000	6,000,000
Columbium Group	4,850,000 LB Cb Metal	2,713,469	-	2,532,419
(Columbium Carbide Powder)	100,000 LB Cb	21,372	-	-
(Columbium Concentrates)	5,600,000 LB Cb	2,019,218	-	-
(Columbium, Ferro)	0 LB Cb	930,911	-	-
(Columbium, Metal)	0 LB Cb	44,851	-	-
Copper	1,000,000 ST	29,048	-	29,048
Cordage Fibers, Abaca	155,000,000 LB	0	-	-
Cordage Fibers, Sisal	60,000,000 LB	0	-	-
Diamond, Industrial Group	29,700,000 KT	34,825,130	-	-
(Diamond Dies, Small)	60,000 PC	25,473	-	-
(Diamond, Industrial, Crushing Bort)	22,000,000 KT	22,001,344	-	-
(Diamond, Industrial, Stones)	7,700,000 KT	12,811,050	-	7,930,000
Fluorspar, Acid Grade	1,400,000 SDT	895,983	-	-
Fluorspar, Metallurgical Grade	1,700,000 SDT	411,738	-	-
Germanium	30,000 KG	0	146,049	-
Graphite, Natural - Ceylon, Amorphous Lump	6,300 ST	5,500	5,086	415
Graphite, Natural - Malagasy, Crystalline	20,000 ST	17,838	13,996	-
Graphite, Natural - Other than Ceylon & Malagasy	2,800 ST	2,803	2,237	-
Iodine	5,800,000 LB	7,372,112	-	5,500,000
Jewel Bearings	110,000,000 PC	73,234,255	-	-
Lead	1,100,000 ST	601,025	-	300,000
Manganese Dioxide, Battery Grade Group	87,000 SDT	208,165	-	-
(Manganese, Battery Grade, Natural Ore)	62,000 SDT	205,154	-	-
(Manganese, Battery Grade, Synthetic Dioxide)	25,000 SDT	3,011	-	-
Manganese, Chemical & Metallurgical Group	1,500,000 ST Mn Metal	1,911,396	-	869,667
(Manganese Ore, Chemical Grade)	170,000 SDT	171,806	-	-
(Manganese Ore, Metallurgical Grade)	2,700,000 SDT	3,222,087	-	-
(Manganese, Ferro, High Carbon)	439,000 ST	624,310	-	-
(Manganese, Ferro, Low Carbon)	0 ST	0	-	-
(Manganese, Ferro, Medium Carbon)	0 ST	29,057	-	-
(Manganese, Ferro, Silicon)	0 ST	23,574	-	-
(Manganese, Metal, Electrolytic)	0 ST	14,172	-	-
Mercury	10,500 Flasks	170,539	-	-
Mica, Muscovite, Block, Stained & Better	6,200,000 LB	5,212,361	246,400	200,000
Mica, Muscovite Film, 1st & 2nd Qualities	90,000 LB	1,177,032	18,700	-
Mica, Muscovite Splittings	12,630,000 LB	14,652,181	14,391,100	-
Mica, Phlogopite Block	210,000 LB	130,745	85,000	-
Mica, Phlogopite Splittings	930,000 LB	1,518,951	482,600	-
Molybdenum Group	0	0	-	-
(Molybdenum Disulphide)	0	0	-	-
(Molybdenum, Ferro)	0	0	-	-
Morphine Sulphate and Related Analgesics	130,000 AMA LB	71,303	-	-
(Crude)	0 AMA LB	31,795	-	-
(Refined)	130,000 AMA LB	39,508	-	-
Natural Insulation Fibers	1,500,000 LB	0	-	-
Nickel	200,000 ST Ni+Co	32,209	-	5,000
Platinum Group Metals, Iridium	98,000 TrOz	27,790	-	-
Platinum Group Metals, Palladium	3,000,000 TrOz	1,255,001	-	-
Platinum Group Metals, Platinum	1,310,000 TrOz	452,641	-	-
Pyrethrum	500,000 LB	0	-	-
Quartz Crystals	600,000 LB	1,848,532	26,500	1,800,000
Quinidine	10,100,000 Av Oz	2,008,879	-	-
Quinine	4,500,000 Av Oz	3,246,164	-	-
Ricinoleic/Sebacic Acid Products	22,000,000 LB	12,524,242	-	-
Rubber	864,000 MT	127,160	-	127,455
Rutile	106,000 SDT	39,186	-	-
Sapphire & Ruby	0 KT	16,305,502	-	-
Silicon Carbide, Crude	29,000 ST	80,550	-	-
Silver (fine)	0 TrOz	136,005,707	-	87,500,000
Talc, Steatite Block & Lump	28 ST	1,081	-	-
Tantalum Group	7,160,000 LB Ta Metal	2,642,073	1,900,700	1,023,320
(Tantalum Carbide Powder)	0 LB Ta	28,688	-	-
(Tantalum Metal)	0 LB Ta	201,133	-	-
(Tantalum Minerals)	8,400,000 LB Ta	2,837,943	-	-
Thorium Nitrate	600,000 LB	7,121,812	-	-
Tin	42,700 MT	185,434	-	150,000
Titanium Sponge	195,000 ST	36,831	3,900	21,100
Tungsten Group	50,666,000 LB W Metal	74,707,435	-	52,215,245
(Tungsten Carbide Powder)	2,000,000 LB W	2,032,942	-	-
(Tungsten, Ferro)	0 LB W	2,025,361	-	-
(Tungsten Metal Powder)	1,600,000 LB W	1,898,831	-	-
(Tungsten Ores & Concentrates)	55,450,000 LB W	80,787,663	-	-
Vanadium Group	8,700 ST V Metal	721	-	722
(Vanadium, Ferro)	1,000 ST V	0	-	-
(Vanadium Pentoxide)	7,700 ST V	721	-	-
Vegetable Tannin Extract, Chestnut	5,000 LT	12,734	-	-
Vegetable Tannin Extract, Quebracho	28,000 LT	126,781	-	-
Vegetable Tannin Extract, Wattle	15,000 LT	15,001	-	-
Zinc	1,425,000 ST	378,316	-	85,000

Source: FEMA

Figure 8

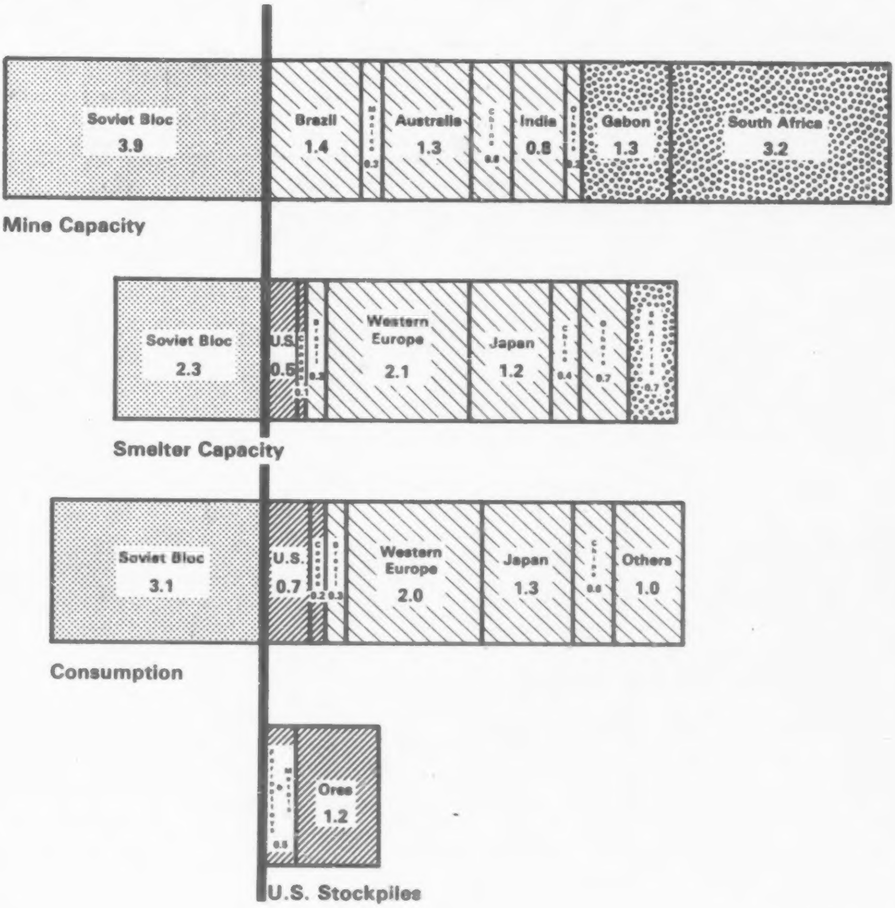
CHROMIUM — annual data in million short tons of chromium content



USBuMines

Figure 9

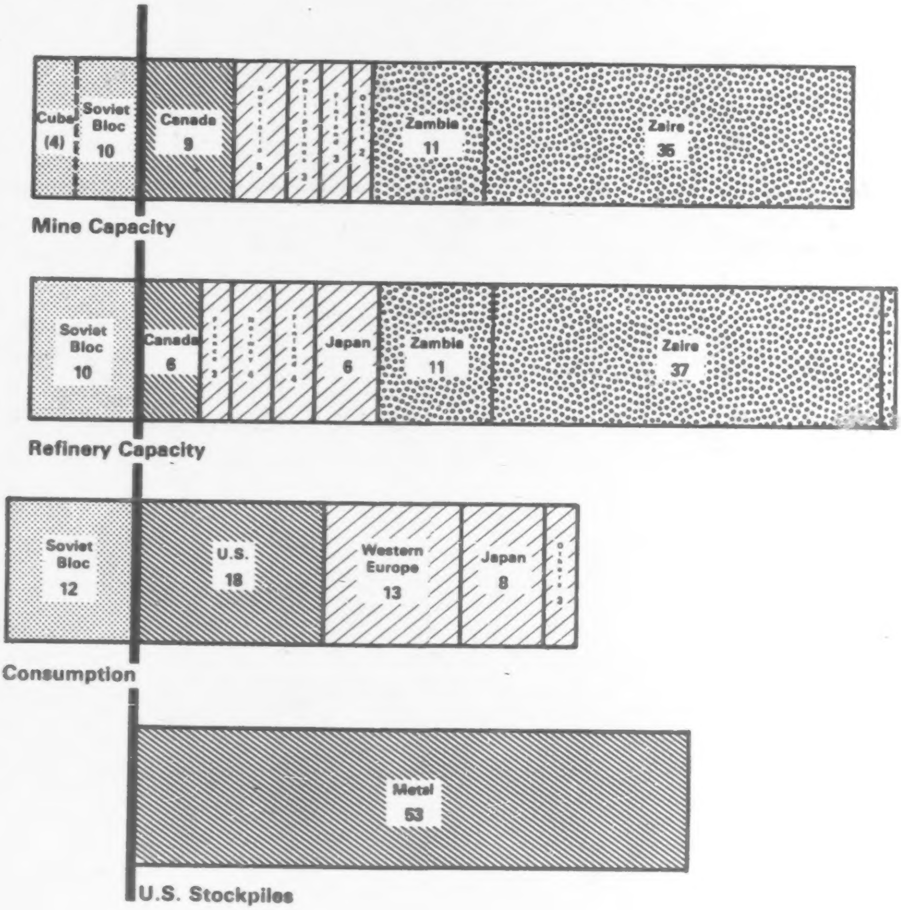
MANGANESE — annual data in million short tons of manganese content



USBuMines

Figure 10

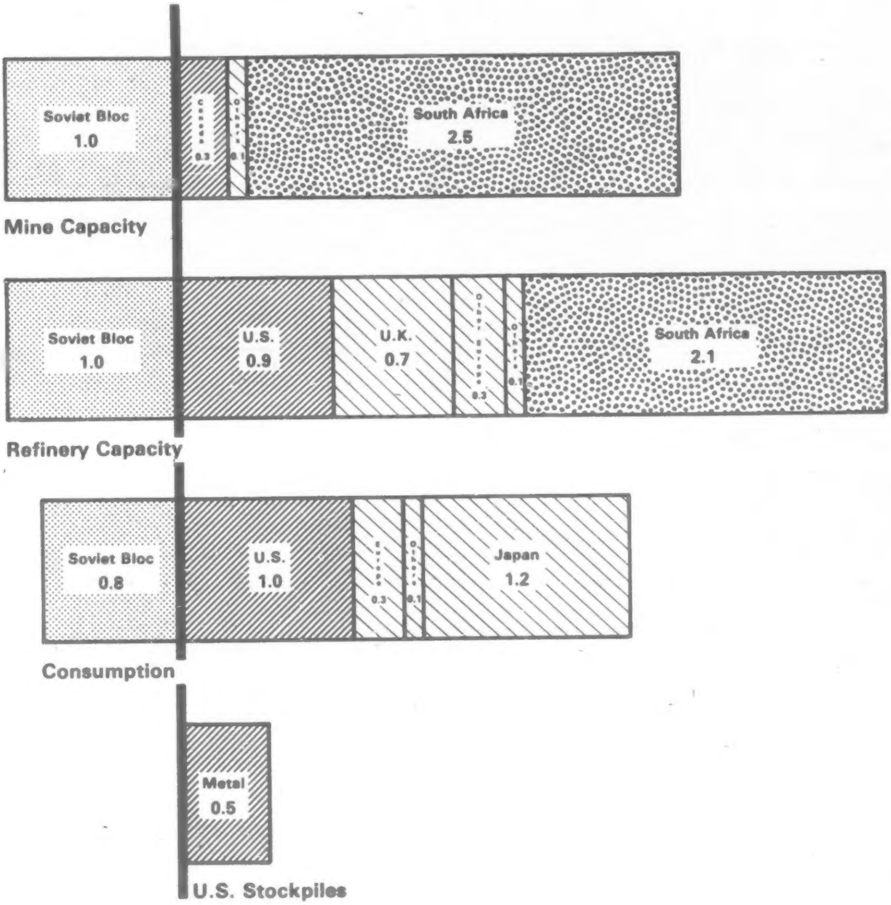
COBALT — annual data in million pounds of cobalt content



USBuMines

Figure 11

PLATINUM — annual data in million troy ounces

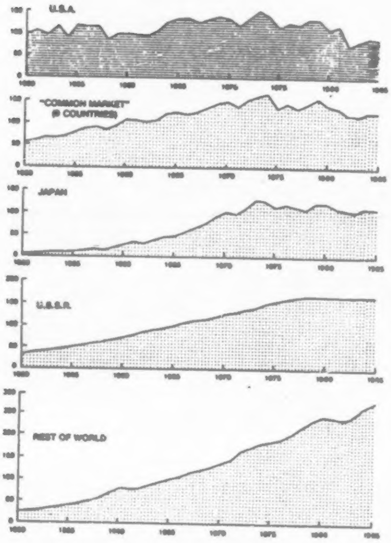


USBuMines

Figure 12

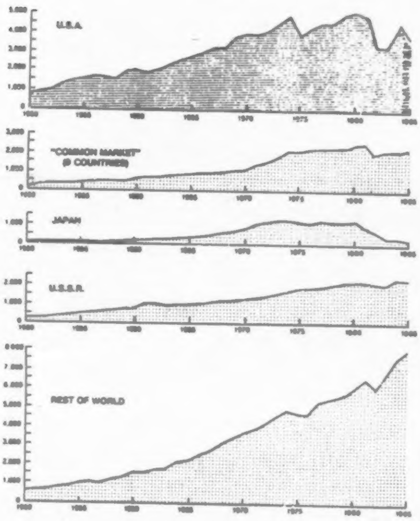
WORLD STEEL PRODUCTION

MILLION SHORT TONS



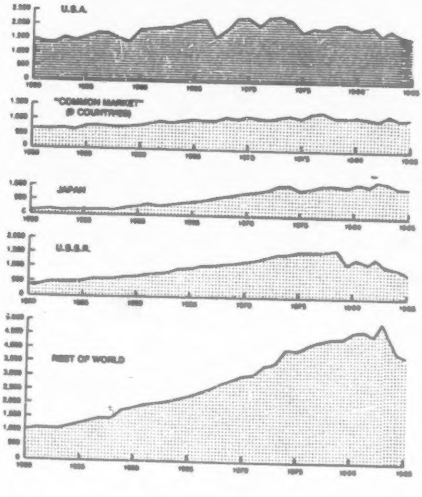
WORLD PRIMARY ALUMINUM METAL PRODUCTION

THOUSAND SHORT TONS



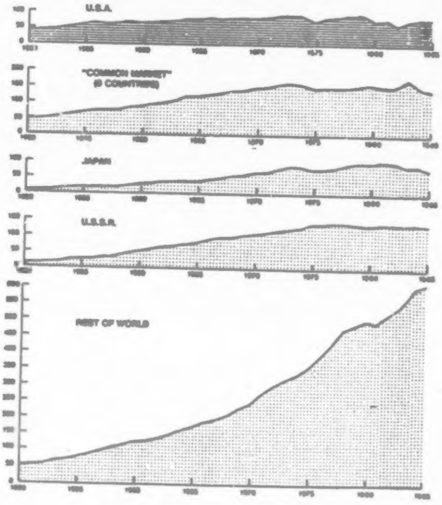
WORLD REFINED COPPER PRODUCTION

THOUSAND SHORT TONS



WORLD CEMENT PRODUCTION

MILLION SHORT TONS



BUREAU OF MINES, U.S. DEPARTMENT OF THE INTERIOR

Dr. **MORGAN**. Thank you, sir. Please don't forget the Defense Production Act.

Mr. **YATES**. I won't. I have been hearing you say that for a long time, and I have been voting for it for a long time.

Dr. **MORGAN**. Very good, sir.

MINE ACCIDENT TRENDS

Mr. **YATES**. Let me ask you about a couple things on your statement, on page two of your opening statement under "Minerals Research Programs", you talk about a trend, that will bring less injuries and fatalities. You say, "the encouraging trends in mining fatality and injury rates and the more active participation of mine operators in applying health and safety technology have led the Bureau to propose a reduction in Health and Safety Technology research of $7.542 million from the base."

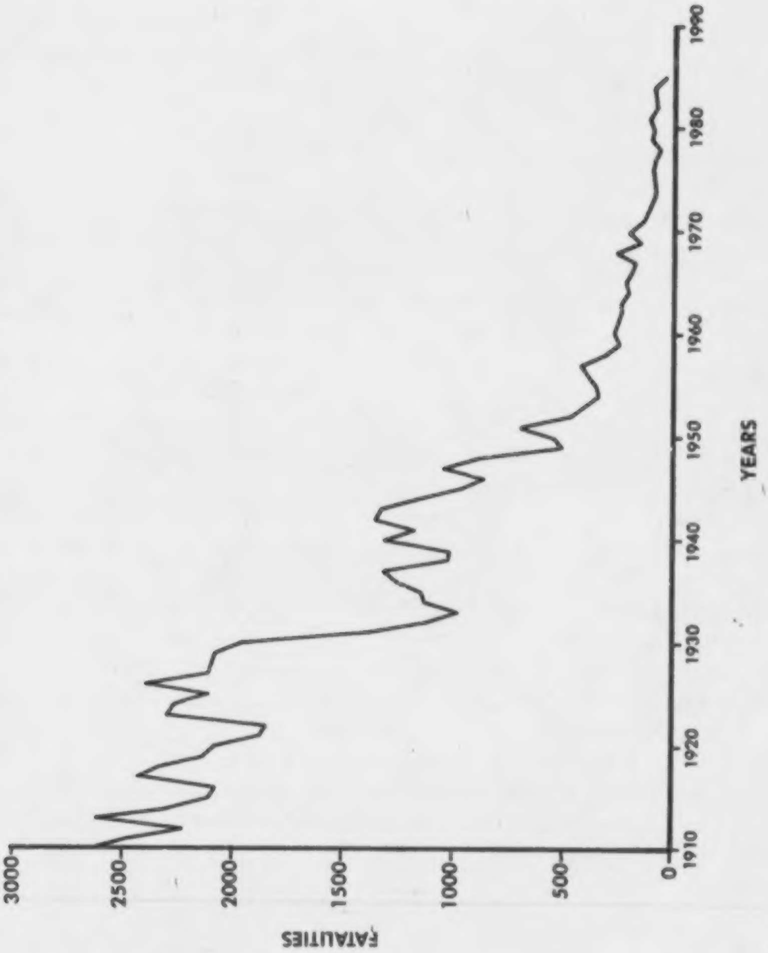
Do you think a trend has been established? Are you justified in saying a trend has been established?

Mr. **HORTON**. Yes, sir. Figure 1-A, a copy of which I will provide for the record, shows underground coal mining fatalities for the past 75 years, the history of the Bureau. Accomplishments in the early days, perhaps were more simple in execution than the later days, but if you will look from the 1960s or even the 1970s, you will see a continued reduction. One of the difficulties, looking at the last few years, in talking about trends, particularly in fatalities, are the statistical variations occasioned by fatalities, in that the death rate is quite low; when a small fatality occurs or doesn't occur, it drives the numbers to the extreme. But there has been a substantial reduction in fatalities and a parallel reduction in injuries so that somewhere along the line, less effort is required. We believe that that is indicated this year, that there is greater activity by the mining companies, fortunately by MSHA, and there is greater acceptance by management of the importance of health and safety.

[The information follows:]

Figure 1-A

UNDERGROUND COAL FATALITIES



RESEARCH FUNDING

Mr. **Yates**. Well, I don't know that the mine workers agree with you. The mine workers in a letter to us, to this committee, on March 13, 1986, complained about the cuts. They say that "a precipitous decline in funding for BOM would deprive the Mine Safety and Health Administration of the research that is necessary to promulgate and enforce health and safety standards."

They go on to say that "coal mining in America remains an extremely hazardous occupation." They point out, "during this century more than 100,000 miners have died in job-related accidents. During the last 50 years alone, well over 400,000 additional miners have been victims of black lung." Although the number of fatalities they say declined last year, "dropping below 100 for only the second time this century, we believe that, even in an era of fiscal austerity, we can make important strides toward further reducing the horrible annual toll."

They say, "we cannot over emphasize our dismay at the proposal to cut by more than 50 percent the BOM mine disaster prevention program." Do you want to comment on that 50 percent cut?

Mr. **Horton**. I believe that is a little extreme—the mine disaster funding has covered a multitude of activities, from rescue work to disaster prevention. We believe we have accomplished much in the past years and have much on the shelf now that we are transferring to industry that will further mitigate disasters. I could not predict with certainty that there will not be additional disasters. It is almost certain that there will be, given the right combinations of circumstances, unfortunate circumstances, but we believe that our work to date does indicate reductions are appropriate.

BELT WEARABLE SELF-RESCUER

Mr. **Yates**. Well, I would like your comment on their other statements. They say, "less than two years ago, 27 miners died in the Wilberg disaster; yet, efforts to design a belt wearable self rescuer and specialized instrumentation for use by mine rescue teams will be eliminated" in this budget.

Mr. **Horton**. No, we are continuing our work on the belt wearable self rescuer.

Mr. **Yates**. Is that research going to be slowed down?

Mr. **Horton**. Not on the belt wearable rescue device, no. I believe the Secretary of Labor for MSHA has a personal interest in that work, as do I. We are having active discussions with MSHA and pursuing research at this moment.

RESEARCH CENTER FUNDING

Mr. **Yates**. What about your Pittsburgh installation, is that going to be hurt by this cut?

Mr. **Horton**. Yes, sir. There will be some reduction at Pittsburgh.

Mr. **Yates**. Is Pittsburgh your central facility for maintaining the research health and safety technology?

Mr. **Horton**. Pittsburgh has a major part in that effort, though that is shared with the Twin Cities, Spokane, and Denver Research Centers.

Mr. **Yates**. Are all of them going to be hurt?

Mr. **Horton**. Yes. There have to be reductions at all the centers by reason of reductions in the budget, yes, sir.

RESEARCH REDUCTIONS AND ACCIDENTS

Mr. **Yates**. What effect will the cutbacks in that research have on cutting down on the number of accidents and deaths? At least, the mine workers say, "the need for additional Bureau of Mines activity in mine disaster prevention is clear in the fact that from 1980 to date, ten major coal mine disasters or explosions have occurred, claiming the lives of nearly 100 miners." Is there a relationship between the amount of work that can be done by your health and safety centers? Can you not say, or is it too much to say, that the chart that you showed us, or the statistics you read on the number of fatalities that have gone down may, in measure, have been the result of what you discovered in the Bureau of Mines Research Centers?

Mr. **Horton**. I can't argue with the observations by the mine union, nor with yours. It would be ridiculous for me to claim the reduction is in part at least the responsibility of the Bureau of Mines and then to state a decreased research program might not have adverse results. There is a relationship, but——

Mr. **Yates**. Okay, what is your "but"? You said "but".

Mr. **Horton**. But there is a necessity to reduce Federal spending. That can only be accomplished by reducing all spending, and I have the difficult task, along with the department, of setting the priorities.

ADDITIONAL FUNDING

Mr. **Yates**. Suppose you look at your budget and in the event more money was made available by this committee, where would you put it? Would you put it in your research centers?

Mr. **Horton**. Yes, certainly.

Mr. **Yates**. That is your number one priority for more money, isn't it?

Mr. **Horton**. Where the health and safety research would be?

Mr. **Yates**. Yes.

Mr. **Horton**. That would be my first priority. I would have some others, but that would be the first priority.

Mr. **Yates**. Mr. Horton, suppose you were sitting on this side of the table, would you put that money in, at least continue it at the same levels as this year, or would you put more in than that?

Mr. **Horton**. I would put it in only if I could, I suppose, find it elsewhere.

Mr. **Yates**. What do you mean, by gifts from somebody?

Mr. **Horton**. No, by reductions elsewhere in the budget so that we end up with a proper balance in our overall budget.

Mr. **Yates**. Suppose you couldn't balance the budget? There are some things that are more important than balancing the budget, aren't there?

Mr. HORTON. It is difficult to talk about reducing budgets and increasing accidents.

Mr. YATES. How important is the coal mining industry? How important are the lives of the people who go down into the mines? They are very important.

Mr. HORTON. They are.

Mr. YATES. And the research is important, then, isn't it?

Mr. HORTON. Yes, sir. No question about it.

Mr. YATES. You are cutting back on that research in this budget, are you not?

Mr. HORTON. Yes, sir.

Mr. YATES. The only justification that you have given us is that we don't have any money to carry on the same level of research, right?

Mr. HORTON. That is certainly the principal force.

Mr. YATES. Are there other forces?

Mr. HORTON. Yes. Past accomplishments.

Mr. YATES. Do you want to rest on past accomplishments?

Mr. HORTON. No, but reductions in accidents have occurred, and there are slowly diminishing returns on the investments, and reductions in some areas are appropriate.

Mr. YATES. Don't you have new problems? Don't you have new problems with methane because you are going deeper into the mines?

Mr. HORTON. Yes, there are problems.

Mr. YATES. Are you cutting back on methane research?

Mr. HORTON. Some, yes.

Mr. YATES. Should you be cutting back on your methane research? You shouldn't be, should you? I am leading the witness, aren't I? And the witness is probably very uncomfortable because he remembers OMB has a heavy hand on him.

Mr. HORTON. No, sir.

Mr. YATES. No? Could this committee do worse than put the money back in for health and safety research? It probably could do worse.

Mr. HORTON. Certainly. That is not a criticism of other efforts of the committee.

Mr. YATES. What are your druthers?

HEALTH AND SAFETY BUDGET

Mr. HORTON. The health and safety budget, Mr. Chairman, has been reduced by us and by Congress over the past several years. We talk about staffing——

Mr. YATES. I thought we added to your budget.

Mr. HORTON. Well, you have added to what the request has been, but the budget for health and safety, using the same staff figures, has gone from $38.7 million in 1983 to $32 million this year after Gramm-Rudman.

Mr. YATES. What was it last year?

Mr. HORTON. In 1985, $32.781 million.

[COMMITTEE NOTE.—The FY 1986 appropriation for health and safety was $33,931,000.]

Mr. YATES. So it has been reduced by approximately $6 million and OMB has been pecking away at you for six years, too, hasn't it. We have been putting in money over the budget, have we not?

Mr. HORTON. Yes, sir.

OVERALL BUDGET HISTORY

Mr. YATES. How much over the budget can we put in? Take a look at your comparative figures and tell me if we are right or whether we are wrong. Let's go back to 1982, for example. I know your arguments were probably correct before 1982, we cut back a little bit, but then all of a sudden, something happened in 1982, we decided that perhaps we hadn't been giving you the money you deserved. At least in 1983, you asked for $125 million roughly, and we gave you $146 million. And then we gave you a supplemental of five million dollars.

In 1983, you asked for $124.6 million, we gave you $143 million, $20 million above the budget, and gave you a pay cost. In addition, in 1984, you asked for $117.5 million, and we gave you $136.4 million. And in 1986, you asked for $104 million, and we gave you $133 million. So we haven't been doing badly by you, have we?

Mr. HORTON. No, sir.

Mr. YATES. This year do you hope for just the same kind of increases?

Mr. HORTON. No, sir.

Mr. YATES. Do you hope for decreases?

Mr. HORTON. Yes, sir.

Mr. YATES. For decreases, really?

Mr. HORTON. I hope for this budget——

Mr. YATES. You don't want to be cut any more, do you?

Mr. HORTON. Well, unfortunately, it is your task to make those determinations.

Mr. YATES. Wouldn't it be better for the budget if we cut your budget even more than you asked for?

Mr. HORTON. Indeed, it would.

Mr. YATES. Should we do that?

Mr. HORTON. I would just as soon you didn't.

Mr. YATES. Which is more important, the health and safety of the miners or the balanced budget?

Mr. HORTON. They are both important.

Mr. YATES. All right. Where would you be putting the money back besides health and safety if you wanted to be putting money back? Would you be putting any back in mining technology or resource conservation? Do you have enough in those—obviously you have to say you have enough in those, but you have been cut back $1.487 million in mining technology. How important is mining technology?

Mr. HORTON. It is important.

Mr. YATES. Not as important as health and safety, though, is it?

Mr. HORTON. Except it has an impact on health and safety. The two overlap and the mining techniques and technologies that are utilized are reflected in health and safety results.

RESEARCH BY INDUSTRY

Mr. **Yates**. Suppose we go along with you on cutting back on mining technology, will industry take up the slack?

Mr. **Horton**. At this time, no, sir, I couldn't say that. The hard rock industry is hard pressed to make a profit. The coal mining industry, despite operating at historic rates, also has much internal competition. While there is probably more research going on in the coal mining industry than there is in the hard rock industry, I don't think, with the economics at the present time, hard rock or coal mining companies are looking at putting substantial sums into research. They have delayed research because of lack of income; they can't afford to do some of that work, and I think perhaps the Federal Government is in the same position in some of their work. We can't do some of the things we would like to do.

SAFETY MEASURES IN FOREIGN COUNTRIES

Mr. **Yates**. Are our health and safety measures more advanced than those in other countries?

Mr. **Horton**. Well, in some countries, yes. We work closely with the British Coal Board, for instance, in England, and with some of the other foreign countries where, particularly in European countries, they are equivalent to us in health and safety measures. In the less developed countries, no.

Mr. **Yates**. They don't have the money.

Mr. **Horton**. No. Money and training, but that is not universally true. Not all of the lesser developed countries are technologically backwards. That is an assumption that is easy to make, but not always accurate.

RESEARCH FOR OSM

Mr. **Yates**. Do you do the research for the Surface Mining Administration?

Mr. **Horton**. We do some cooperative work with them.

Mr. **Yates**. You are in a position to do better work in research than the office of Surface Mining, are you not, because of your history, because of the fact you have been doing research of this kind for years?

Mr. **Horton**. Well, our history might indicate that. I think it would be unfair of me to compare a sister agency at Interior to be not as effective as the Bureau. I know it is of some interest on the Hill, and certainly we do have a larger history of research work in that area, yes.

Mr. **Yates**. You do most of the research for them, don't you? You do more for them than they do for themselves.

Mr. **Horton**. I don't believe that is true.

Mr. **Yates**. Could you take over the research that they do?

Mr. **Horton**. If that is appropriate, yes, sir.

Mr. **Yates**. Do you need an increase in staff to do that?

Mr. **Horton**. I don't believe so. A small one at best.

NOISE CONTROL

Mr. YATES. Why is noise control now included in your physical and chemical agents rather than having a separate element?

Mr. HORTON. It is more for the convenience of programming and our consideration of some of the elements rather than trying to separate them quite as distinctly. For several moderate-sized efforts, it seemed better to combine them, although they are split up to some degree in our budget presentation.

MINERAL INSTITUTES

Mr. YATES. How important is the research done by the mineral institutes?

Mr. HORTON. It is important research, Mr. Chairman. I wouldn't disparage it for a moment.

Mr. YATES. The budget does, though, doesn't it?

Mr. HORTON. Yes, sir. Again, we are balancing desires against realities, perhaps.

GROUND CONTROL

Mr. YATES. The justification says fatalities due to ground control failures in underground coal mines have not shown a downward trend and have averaged 48 percent of all underground coal mine fatalities in the past five years. How does that relate to figure 1-A? Figure 1-A indicates a downward trend, yet your justification says it hasn't happened.

Mr. HORTON. The justification statement relates only to roof fall fatalities.

Mr. YATES. I see. Now, the Department of the Interior news release on December 18 says, "Roof falls have long been a leading killer of miners underground." Yet the budget is being cut, isn't it?

Mr. HORTON. We are maintaining a fairly substantial effort in the ground control area. We are going from $8.4 million to $8 million, a $400,000 reduction out of an $8 million budget.

Mr. YATES. I would have thought if it is the leading killer of miners underground, that that budget would be increased rather than cut back, wouldn't you?

Mr. HORTON. One of the reasons it remains a leading killer is because miners are going out under an unsupported roof, and there is nothing one can do, research-wise, to prohibit that other than miner training. We work hard with MSHA on that to convince miners not to take those sort of actions. More and more miners that are killed in that fashion are supervisory foremen rather than the miner, and it is the man in charge putting himself at unnecessary risk to save his miners from doing so, but that action is not only illegal, it is stupid; but people still do it.

Mr. YATES. What about the question of the mobile roof support, when are you going to finally test that?

Mr. HORTON. We have developed several units. For some details, if you are interested, Mr. Chairman, John Murphy from our Pittsburgh Research Center is here. Perhaps he could——

Mr. YATES. Do you want to tell us about how happy you will be with your new budget?

ROBOTICS AND REMOTE CONTROL

Mr. **Murphy**. Relative to your question about robotics and remote control, we have a variety of programs underway to address all those areas. As you can see from Figure 1-B, we have a continuous miner which has no operator station on it, and the reason is we are developing a prototype system in which the operator is some distance away and gets sensory cues by electronics and television and so forth. This is one attempt to provide more security, both from the safety aspects as well as from the noise and dust aspects you discussed earlier.

Now, some other aspects of remote control that may be of interest to you, sir. One relates to some fundamental research we are doing in conjunction with Carnegie-Mellon University, which is one of the leading pioneers in the area of robotics and expert systems. This particular prototype robot, shown in Figure 1-B in the upper right photograph, is undergoing evaluations in our safety research coal mine at Bruceton, and in fact this device is an updated version of the device that went through some trials last year. We are quite encouraged by the guidance aspects of what is emerging here and how it may relate to underground remote control or automatic applications.

Now the other thing that is on Figure 1-B that perhaps is of interest to you relates also to automation. Specifically, if you or I were going to tell a mining machine, a continuous miner or longwall shearer to cut up to the roof and down to the floor, we need some sensors that will identify to the machine where the floor is and where the roof is. In Figure 1-B are photographs of some prototypes undergoing evaluations now that we are encouraged will lead us to the types of sensors necessary to accomplish this type of program. So this is one aspect of the automation and remote control program.

[The information follows:]

AUTOMATION & REMOTE CONTROL

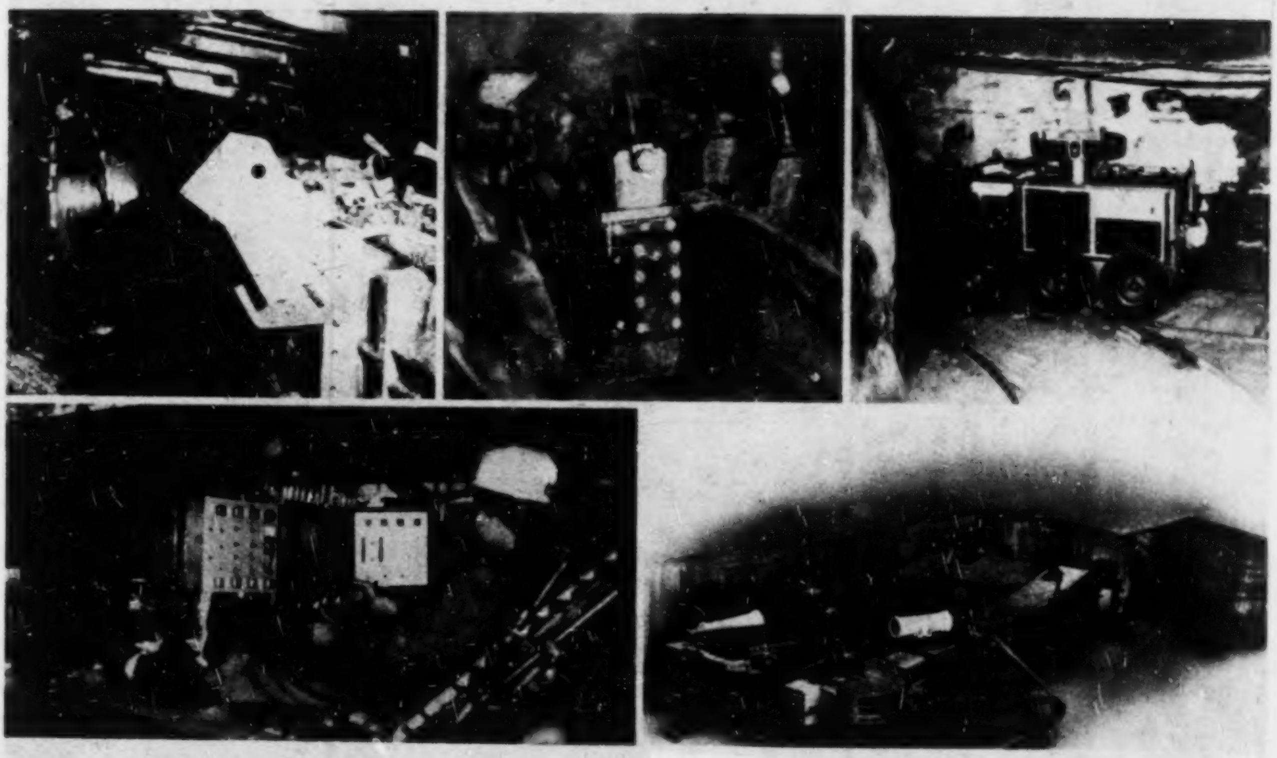


Figure 1-B

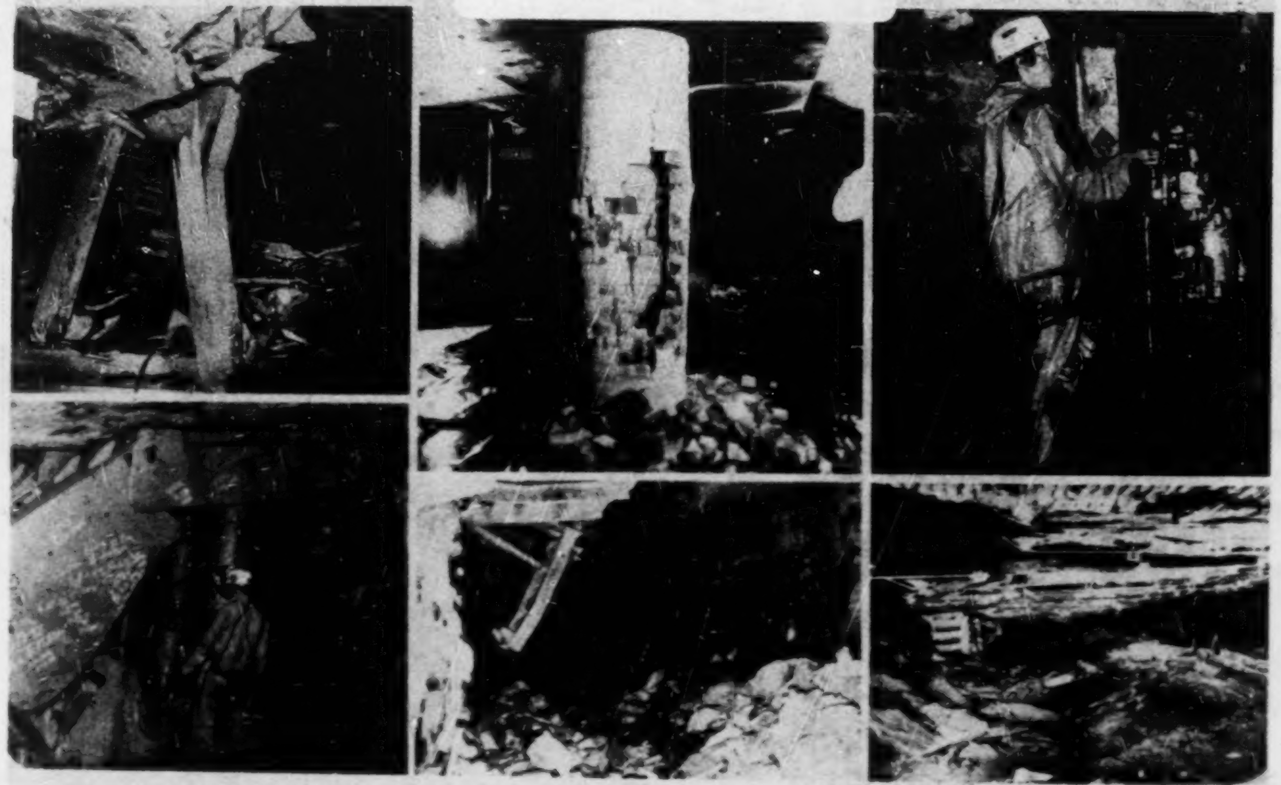
GROUND CONTROL TECHNOLOGY

Mr. MURPHY. You were discussing with Director Horton a bit ago the question of people going under an unsupported roof. One of the things that relates to that, of course, is the question of various types of artificial support. In Figure 2-B, we have some examples of work in that particular area. They range from evaluation of various types of new technology that might be used for support, like the fiber reinforced concrete cribs shown in the center graphic through various types of longwall technology and adaption of longwall technology to different seam conditions.

[The information follows:]

GROUND CONTROL

Figure 2-B



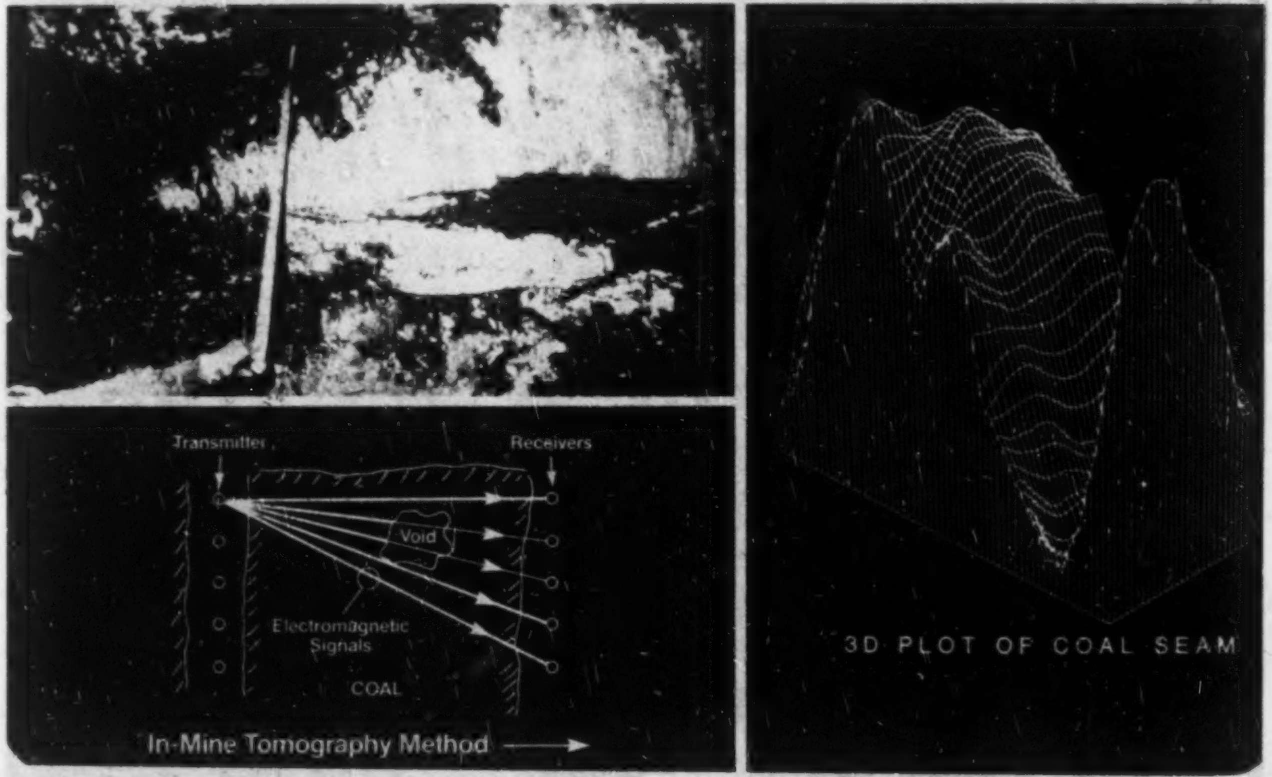
Mr. **Murphy**. Perhaps as you are aware, sir, the earlier work by the Bureau led to the successful implementation of longwall technology in the Illinois Coal Basin, which has now caught on quite extensively. Now the other question, as it relates to these general problems, addresses identifying hazards in advance of mining so that you may plan your mining and take necessary corrective or evasive actions that can lead to a safer condition.

And the Bureau has a variety of techniques that are currently under evaluation that offer the promise to look ahead and identify faults before they are actually encountered by the miners. The 3-D plot shown in figure 3-B, for example, indicates the variation in coal seam thickness, as a function of distance through the seam. Again, the results to date are quite encouraging in this area.

[The information follows:]

Figure 3-B

PRE-MINING PREDICTION OF SEAM CONDITIONS


Transmitter
Receivers
Void
Electromagnetic Signals
COAL
In-Mine Tomography Method →
3D PLOT OF COAL SEAM

METHANE CHECKS

Mr. **Murphy**. Relating to the question of people going under an unsupported roof, one of the reasons miners do this is to make methane checks at the face. As Director Horton indicated, you are supposed to set temporary supports before you go under the unsupported roof. In some cases, people are injured or killed setting the temporary supports; in some cases, people don't set the temporary supports and we have accidents or injuries; and in other cases, people don't make the required methane checks. So from an idealistic viewpoint, we would like to be able to stand back under the supported roof and look forward and see if there is an accumulation of methane or not.

In fact, I have a prototype system here which we believe will solve that particular problem. Now, to illustrate, sir, I have brought along a sample of methane in this cylinder, and just to show that the system is not affected by the cylinder, but rather by the gas content inside, I have another cylinder that contains nitrogen. When I insert the nitrogen cylinder between the instrument and the coal face, I have simulated by this black board, we have no indication. But, on the other hand, if I do include some methane—with the cylinder of methane—I get an audible reading and a visual indication on the detector. So this is one of the devices we are quite encouraged about in terms of addressing this type of a problem, getting people out from under an unsupported roof, yet making the necessary measurement to assure there is adequate ventilation.

Mr. **Yates**. How much does an instrument like that cost?

Mr. **Murphy**. You are looking at the only one in the world here.

Mr. **Yates**. How many millions does that cost?

Mr. **Murphy**. We would predict, sir, when commercialized, it would be on the order of $2,000 or less. I might also point out to you, it can be made considerably smaller than this. This is an engineering prototype, and we have not made any attempt to miniaturize it. It can be, we believe, a hand-held instrument.

Mr. **Yates**. You say it is going to cost $2,000 essentially. How are you going to achieve that reduction if your budget keeps going down?

Mr. **Murphy**. Well, sir, as I think I have told you in the past, we always have more ideas than budget to support those ideas. We are trying to do the best we can.

Mr. **Yates**. That is a pretty good gadget, isn't it?

Mr. **Murphy**. Yes, I think it is.

Mr. **Yates**. It would help save lives, wouldn't it?

Mr. **Murphy**. Yes, sir.

Mr. **Yates**. How do they detect methane now?

Mr. **Murphy**. The way methane is detected now, under normal circumstances, is to use a hand-held instrument, normally a device of this size. It uses a catalytic detector, and we would place the instrument in the area where we suspect the methane, typically at elevated levels.

The problem, as I indicated, is to do that, you have to go under an unbolted roof. In this particular case, we can do it remotely without going under an unsupported roof.

COAL DUST MEASUREMENT

I would also like to show, in a moment, sir, some of the other methane monitoring work we are doing and how that addresses some of these overall questions. However, while we are addressing the question of fires and explosions and some promising instrumentation, I had the opportunity to show to you and your colleagues before an earlier version of a device that will detect the accumulation of coal dust on the walls and roof of the mine. Coal dust can be a possible contributor to a major mine explosion.

If time permits, when we are finished, I have a very short video tape that will show you high-speed pictures that relate to that as well. But the problem now is that a mine inspector or company safety man will go into a mine and collect a quantity of dust from the walls, a mixture of rock dust and coal dust, and depending upon the quality of the rock or coal dust, you may have an unsafe condition or not. If you or I, as the inspector, went to the mine and we accumulated this sample, we would have to send it to a special laboratory and two to three weeks later we would find out whether this was an unsafe mixture or not.

What this device offers to do, and if I may, sir, I could let you do it——

Mr. YATES. I feel like Johnny Carson.

Mr. MURPHY. If you, as the mine inspector, would check this sample.

Mr. YATES. How am I supposed to do that?

Mr. MURPHY. Stick the probe in the first sample there and you find I have about 37 or 38 percent incombustible material. I am in violation of the regulations with that particular mixture.

Mr. YATES. So I pay no attention to it?

Mr. MURPHY. No, you are going to cite me, sir, for being out of compliance.

However, if I take a reading using this second sample, we should get about 78 percent——

Mr. YATES. Yes, you do.

Mr. MURPHY [continuing]. And we are in compliance The mine inspector as well as the company officials can determine on the spot whether there is a problem, and corrective action can be taken immediately.

Mr. YATES. Is that the only one in the world, too?

Mr. MURPHY. Actually, there are about five of those instruments, sir.

Mr. YATES. I see. Well, that is fine.

Mr. MURPHY. Assistant Secretary Zegeer from MSHA has indicated he wishes to acquire one of those for every one of his coal mine inspectors. So we are now in the process of furnishing a quantity of these to him to make sure they have all the performance characteristics they want, and then there will be a large quantity made to meet that requirement.

MINE RESCUE AND METHANE DETECTION

Now, you asked me about methane detection, and I have described to you the typical scenarios, but there is another one I think is important, because you were asking about mine disasters before. The standard methane detector that I have described to you does not work in the atmospheres encountered in a mine disaster, either in terms of the amounts of the quantities of methane or, in many cases, the fact that there is insufficient oxygen available to make the device work properly. So we were approached by many of the mine rescue organizations about a year ago, and they said, "We need a device so we can send our mine rescue teams into a mine and determine whether, in fact, they are in a safe or unsafe atmosphere. We know it is an unrespirable atmosphere, but is it likely to explode?"

We came up with a small, hand-held device that would be used routinely for methane inspections. We added some other apparatus to it, which allows it to be used under mine rescue applications. There are about four of these as well, sir, and they are currently being evaluated by a number of mine rescue teams. We believe it does overcome the problem, and it permits measurements on the spot with rescue teams.

METHANE DETECTOR PRODUCTION

Mr. **Yates**. Mr. Murphy, I am impressed with that methane calculator, or seeker-outer, whatever you call that. Why wouldn't the company that made that under a research contract with you, recognizing its value, why wouldn't that go into mass production on its own?

Mr. **Murphy**. It will go into mass production on its own, sir, when, in fact, we have determined—when the phases of the research are completed that ascertain it does meet this requirement.

Mr. **Yates**. You know it meets this requirement, don't you? What is this requirement?

Mr. **Murphy**. This requirement is that it works in the in-mine conditions to measure the methane concentrations we are concerned with.

Mr. **Yates**. You just showed me it did.

Mr. **Murphy**. I showed you very clearly, sir, on your table here it works quite well.

Mr. **Yates**. We can't put my table into the mines?

Mr. **Murphy**. Perhaps we can, sir, but there are other conditions that change as well.

Mr. **Yates**. Let's not leave that for the moment. It works on the table. Does it not work in the mines?

Mr. **Murphy**. We are in the process of ascertaining that.

Mr. **Yates**. What have your tests to date shown? Have you tried it in the mines?

Mr. **Murphy**. Yes, we have.

Mr. **Yates**. What have been the results of the test?

Mr. **Murphy**. The tests to date, sir, have been promising.

Mr. **Yates**. Only promising? Why do you say promising instead of successful?

Mr. **Murphy**. Because we have not completed all the tests we think are necessary for me to stand here and say to you it works, sir, under all circumstances.

Mr. **Yates**. What does the term "promising" mean? How many times have you used it? Ten times?

Mr. Murphy. More than that, sir. Perhaps I can answer your question this way. The results to date have met all expectations. And with another perhaps eight months' work of evaluation, I expect, fully expect, that the device will pass the additional hurdles we need to present to it, and we can then say to the people who want to supply this commercially, this or some slight variation of it is what is needed, "Go make it".

Mr. Yates. So that I understand what you are doing, this has to be tested under a great number of conditions, right?

Mr. Murphy. Yes, sir.

Mr. Yates. And so far, you haven't completed the testing under all the conditions you want to test it under?

Mr. Murphy. That is correct, sir.

Mr. Yates. Now, with respect to the number of tests that you have made, it is promising. Does that mean it has been successful in those tests? Has it failed in any of those tests?

Mr. Murphy. Sir, there was an earlier prototype that did fail some of the tests. We made some corrections, and those hurdles have been overcome. I might also point out to you that the earlier prototype was much larger, and so we have been able to shrink it, and as I indicated earlier, it can be shrunk further as well.

Mr. Yates. But why does it have to be shrunk further? The way you handle it, I suppose you are a strong fellow, but it looks like it weighs, what, six pounds, seven pounds?

Mr. Murphy. Perhaps, yes.

BUDGET REDUCTIONS

Mr. Yates. Mr. Murphy, then if this is promising and its promise is implicit, the saving of lives, why are you cutting the budget for concept analysis?

Mr. Murphy. Sir, we have tried to prioritize the budget within the administration's constraints as to the amounts of funds available for this type of work.

Mr. Yates. Yes, but let's stay with that for a moment. You are cutting that back and you are cutting concept analysis back. You need conceptual analysis to determine the value of that testing device, do you not?

Mr. Murphy. Sir, let me say that this particular innovation, this particular one will not be affected by the cutbacks. There are other programs that will be deferred or delayed, but this one is mature enough that we feel it is worth pursuing.

Mr. Yates. Well, what are the ones that you are cutting back on?

Mr. Murphy. Well, there are many other areas. As you indicated earlier with your discussions with Director Horton, the mine disaster prevention area, which includes the fires and explosions work, the postdisaster survival and the methane drainage will be cut substantially in order to meet the——

Mr. Yates. Why are you cutting those substantially? Budget constraints? But if you weren't cut back substantially in those programs, what would you hope to achieve by the tests that are going on?

Mr. Murphy. Well, sir, the simplest answer to that is there are many areas that we started this year, in fiscal year 1986, as a result of the congressional directives to increase activities in certain areas, and if you please, I can review those with you in just one moment.

Relative to this discussion, I would like to leave with you, if I may, an issue of the Coal Age Magazine, which has an article entitled "Bureau Continues to Pour Out Useful Medley of Machines and Ideas." One of those, for example, is the device that measures methane quickly and addresses this remote methane detection system.

Relative to your earlier question about automation and robotics, if you turn back——

METHANE DETECTOR

Mr. YATES. Let me interrupt a minute. How far will the beam from that device go to determine whether methane exists?

Mr. MURPHY. The precise answer is one of the questions to be addressed in the intervening research, but approximately 40 feet.

Mr. YATES. That is pretty good, isn't it?

Mr. MURPHY. I might also point out to you, sir, Assistant Secretary Zegeer has two perceived needs for this, one is what we discussed about remote detection to the face, and the other one relates to some of the mine disasters you have made reference to earlier. Some of these have been a result of people driving vehicles into pockets of methane when they were either driving down a rail entry and there was an accumulation of methane they didn't detect until they were into the cloud; and the other case involves roof layers of methane in cases where you have a trolley pole and the trolley pole makes sparks, and if there is an accumulation of methane, you can have an ignition.

We had Assistant Secretary Zegeer to Pittsburgh over the last couple of weeks where we demonstrated to him this device as applied to those two particular applications. So it really solves two potential problem areas.

Mr. YATES. How much money are you putting aside for research on this for the next fiscal year? Obviously you have enough money this year to continue the research. What do you call that so I don't have to call it that device? A methane finder?

Mr. MURPHY. A remote methanometer.

Mr. YATES. You have enough money in your 1986 budget for that?

Mr. MURPHY. As I indicated earlier——

Mr. YATES. You will make enough out of what you have?

Mr. MURPHY. That is right.

Mr. YATES. How much money will you need in 1986 for the methanometer?

Mr. MURPHY. Probably several hundred thousand, sir.

Mr. YATES. How much do you have in your whole budget for your research?

Mr. MURPHY. This particular work is being done under our fire and explosion prevention program this particular year, but it is only one aspect of the overall program.

Mr. YATES. How much money is in the overall program?

Mr. MURPHY. In fire and explosion prevention?

Mr. **Yates**. This budget is being cut in half, isn't it?

Mr. **Murphy**. Yes, sir.

Mr. **Yates**. Did OMB see this device?

Mr. **Murphy**. No, sir.

Mr. **Yates**. Does OMB know what you are doing?

Mr. **Murphy**. Yes, I believe they generally know. We had overall program descriptions.

Mr. **Yates**. They still cut your budget in half? Did they cut it in half, or did Mr. Horton cut it in half?

Mr. **Murphy**. I will defer that question to Mr. Horton.

Mr. **Horton**. It would be Mr. Horton, along with the Assistant Director, who set the priorities that established the proportion——

Mr. **Yates**. Why in the world did you do that? Were you not impressed, as I am, by that methanometer?

Mr. **Horton**. Yes.

Mr. **Yates**. You weren't as impressed with other things Mr. Murphy is doing?

Mr. **Horton**. I am always impressed with Mr. Murphy.

Mr. **Yates**. We are talking about his program.

Mr. **Horton**. No, I am impressed—going back to the old problem of getting a large foot in a smaller shoe.

Mr. **Yates**. Of juggling, yes.

RESEARCH REDUCTIONS

Well, I think you had better tell us what else is in your programs, Mr. Murphy. Who knows? The committee might give you your money back.

Mr. **Murphy**. Sir, if you would like, I can review the program in some highlights and show you——

Mr. **Yates**. I think it would be better if you would itemize it, give us a written document. Otherwise we would be here another half-hour on that alone. Tell us what you need and where you are going and what the effects are.

[The information follows:]

Deferred or Eliminated Health and Safety Technology Research

Respirable Dust.—Grant funding for research at the Pennsylvania State-West Virginia University Generic Center for Respirable Dust and its affiliates, the University of Minnesota and the Massachusetts Institute of Technology, would be discontinued.

Noise Control.—Design of noise control techniques for jumbo drills and jack hammers will be eliminated Noise control retrofits to other equipment will be reduced.

Ground Control.—Mine waste stability research will be eliminated. In-mine evaluation of geologic conditions to predict and avoid mountain bumps will be reduced and extension of these evaluations to western coal and metal mines will be deferred. Tomographic research to predict geologic hazards in advance of mining will be reduced.

Industrial Hazards.—Robotics investigations leadings to the reduction of worker exposure to potentially high health and safety risks will be substantially reduced.

Fire and Explosions.—The conduct of large-scale and in-mine trails of prototype detection/suppression systems with emphasis on early detection will be deferred.

Methane Control.—Improvements in technology to drain methane from working areas and return airways by cross measure techniques will be eliminated. Also, investigations leading to a greater recovery of methane in advance of mining will be eliminated.

Postdisaster.—Research to evaluate first generation oxygen self-contained self-rescuers in order to make them smaller and lighter will be substantially reduced.

MINE EXPLOSIONS

Mr. **Yates**. Now, you wanted to show us something on that video? How long is the video?

Mr. **Murphy**. The video is about one minute. Would you like to do it now or later?

Mr. **Yates**. Let's do it now.

[Recess.]

[Video presentation.]

Mr. **Murphy**. This is a picture of a typical mine explosion actually in slow motion that comes from the Bruceton experimental mine. Now we are looking at the portals of our Lake Lynn Laboratory, where we can simulate these types of explosions, and here you see some of the underground entries where, in fact, the explosions will take place that you will see in a moment.

Here is some of the instrumentation being installed in the entry, and basically we are comparing the results from earlier studies at Bruceton, with narrower entries than those of the wide entries you find in a typical mining situation.

Now this is a high-speed picture taken at several thousand frames per second of a methane pocket being ignited in the face area. And while it is injurious and disastrous to those in the immediate area, it is the flame that stirs up the coal dust, which you can see being lifted up here and picked up relative to our earlier discussions, that is of concern. Basically what we find is with the wider entries that, in fact, the flame will propagate further in a typical wide entry than it will in a narrower entry from the earlier studies we had done. So we feel this is an important finding. We are looking at a repeat of that explosion.

We are now looking at various types of suppression methods to keep this type of an explosion from propagating through a mine entry. Assuming those results are confirmed, it may be appropriate to have changes in the Code of Federal Regulations as it relates to that.

ABANDONED MINE FIRES

Mr. **Yates**. Have you been working on the Centralia fire at all?

Mr. **Murphy**. Sir, we have earlier worked on the Centralia fire, but perhaps of interest to you are some techniques we have been developing as it relates to various types of control techniques for abandoned mine fires. In fact, Figure 4-B addresses those technologies.

The picture in the center unfortunately describes the conventional state of the art in terms of extinguishing fires in abandoned mines. This is a large off-the-road truck, as you would see in a strip mine, hauling a truckload of burning coal. This is a picture of a contractor dealing with a fire in an abandoned mine by hauling this material out, spreading it out and trying to quench it. It is very expensive, let alone in these particular cases, quite dangerous.

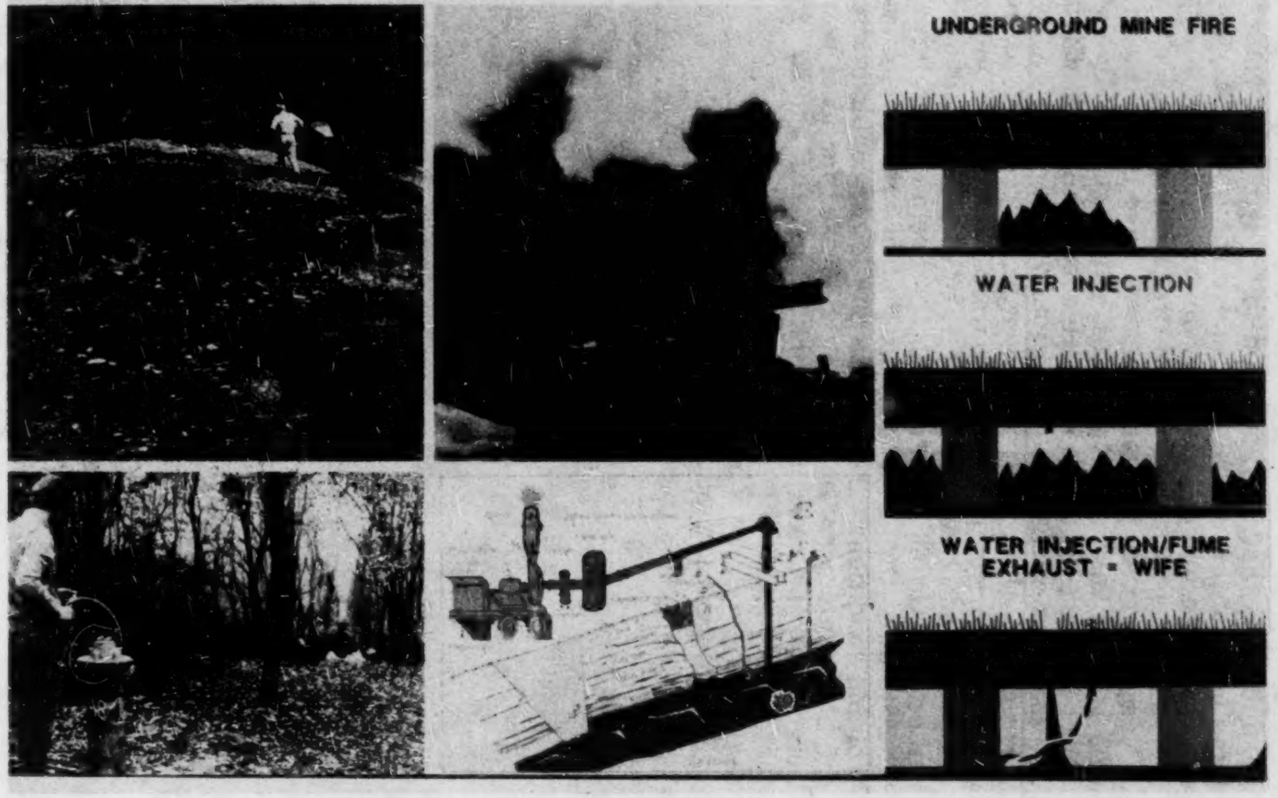
Now we have done some studies that show that, in fact, if you have an underground fire, as shown by the right hand schematic of Figure 4-B, and you inject water into the fire, you produce steam, and in some cases steam will actually create hot spots at other locations which will spread the fire. However, our research to date has indicated that if, in addition to applying the water, we have a large exhaust fan which will remove the hot steam, we believe we can cool down one of these fires quite rapidly, and it appears to be an alternative to the classical control techniques.

Now, two other problems that we have addressed in this area. One is some instrumentation, as shown graphically in the lower left of Figure 4-B, which has been successful in identifying the precise locations of the fire underground. And with that type of finding you can then apply the appropriate type of extinguishment technique. The outgrowth of this program that is quite exciting is what is called controlled burnout. In some cases, it is appropriate, rather than trying to extinguish the fire and then have it reignite later, to burn the fire out under control, with environmentally acceptable conditions, as shown in the lower center graphic and use the heat for process heat. It could be used for local power generation, it could be used in an industrial process, and so forth. In fact, this particular technique is now being applied at a coal refuse pile near Albright, West Virginia.

[The information follows:]

ABANDONED MINE FIRES

Figure 4-B


UNDERGROUND MINE FIRE
WATER INJECTION
WATER INJECTION/FUME EXHAUST = WIFE

GENERAL BUDGET CONSIDERATIONS

Mr. Yates. Well, that is kind of obvious, you are engaged in some very constructive work. Mr. Murphy, you are going to give us a document showing us what will happen if you are required to go forward with your budget. The one you are asking us to approve, right?

Mr. Murphy. Yes, sir.

Mr. Yates. You are also going to show us how that budget will slow down, extend or possibly eliminate research in certain necessary items, right?

Mr. Murphy. We can show you what would be deferred or eliminated, yes.

Mr. Yates. All right.

Mr. Murphy. Did you want to see the types of activities that are ongoing with the additional funding provided by the Congress this year?

Mr. Yates. Sure. I am convinced already. Are there any other persuasive presentations you want to give to me that might win you more money?

Mr. Horton. That is not my point in being here, Mr. Chairman. My point is to discuss the budget. It is your duty to judge what I have to say.

Mr. Yates. That is right. You propose and we dispose. If you don't propose, there is very little disposing that we can do. Mr. Murphy is proposing. I think we will probably dispose. Are there other areas of importance in the Bureau of Mines that I should be looking at?

Mr. Horton. I consider all the areas important.

Mr. Yates. Mr. Murphy, I can see I am not going to get anywhere with Mr. Horton.

Mr. Horton. I would like to add a little bit.

Mr. Yates. Okay.

Mr. Horton. I don't see any additional funding.

Mr. Yates. Of course, you don't, but I am just tearing it out of you.

Mr. Horton. Congress, in part to my disappointment, has shown high interest in health and safety and mining technology, less so in the minerals and materials research area and less so in minerals information and analysis.

Mr. Yates. They are obviously not as dramatic as Mr. Murphy's presentation.

Mr. Horton. That is one reason they are not quite as dramatic. Most of the inquiries we get from Congress are questions regarding economics, et cetera, and relate to the facts. Not many of them require us to look at research, but at our data analysis.

Mr. Yates. Are you saying with your data analysis, you won't be able to answer questions Congress addresses to you?

Mr. Horton. No, sir, the budget is adequate for that.

Mr. Yates. You are backing into something, and I am not exactly sure what it is.

Mr. Horton. Me neither. We propose decreases and increases alike that come to Congress' attention. I would encourage you to look at all activities within the Bureau.

Mr. **Yates**. Congress will look at all activities within the Bureau. I assume OMB did, too.

Mr. **Horton**. Yes, sir.

CLOSING AVONDALE

Mr. **Yates**. What is the effect of closing Avondale? Will that hurt you or hurt anything, or is it something that should have been closed years ago?

Mr. **Horton**. No, it has not hurt me and I look forward to doing it. The principal reason for looking at closing Avondale is because of the past reduction in both my request and in appropriations. We are getting somewhat thinner in all the research centers, and there comes a question, then, of the effective use of the research labs and the space and how thin do you want to get in all of them? And it is about time, across-the-board reductions budgetwise, staffwise at research centers are not appropriate any longer. We should look at closing one.

Mr. **Yates**. Okay, Mr. Murphy.

FIRE SUPPRESSION

Mr. **Murphy**. We just discussed mine explosions, and I have another one-minute video tape that shows how to deal with those types of problems. We see here a machine mounted ignition suppression system I have had the pleasure of showing some of your colleagues in the past.

[Recess.]

[Video presentation.]

Mr. **Murphy**. Basically, it is intended to address mine explosions, and again these experiments were conducted at our Lake Lynn Laboratory. This system consists of some cannisters which have been mounted on top of a continuous miner. In a final version, they would be installed in the machine. This is a schematic; it involves some detectors that can sense the fire and put it out in about 80 thousandths of a second. Here we see a high-speed picture in real time; if you were sitting on a continuous miner, that is what you would see.

Now this scene is repeated again, and this flash, sir, is not the ignition source, but a flash bulb that tells us the ignition took place at that time. You can see the fire coming around the head of the continuous miner. It takes a few seconds at this slow speed for it to develop, and then it comes very rapidly at you or I, as the machine operator. This is the close up localized methane explosion I showed you in the earlier video tape.

Now we are going to repeat the same experiment. This is the continuous miner again, except we are going to have the suppression system activated, and we will see it first in real time. All you see is a flash and a cloud of dust because the dust is a suppressing powder. This is a repeat of it, and you can already see that the detectors have detected the fire and are putting the suppression powder in the air, and it does successfully suppress——

Mr. **Yates**. How does it do that, cutting off oxygen?

Mr. **Murphy**. Basically, it is a chemical reaction. It involves a dry powder extinguishing agent, as well as a gaseous extinguishing agent which mixes together, and in about 80-thousandths of a second will accomplish that objective.

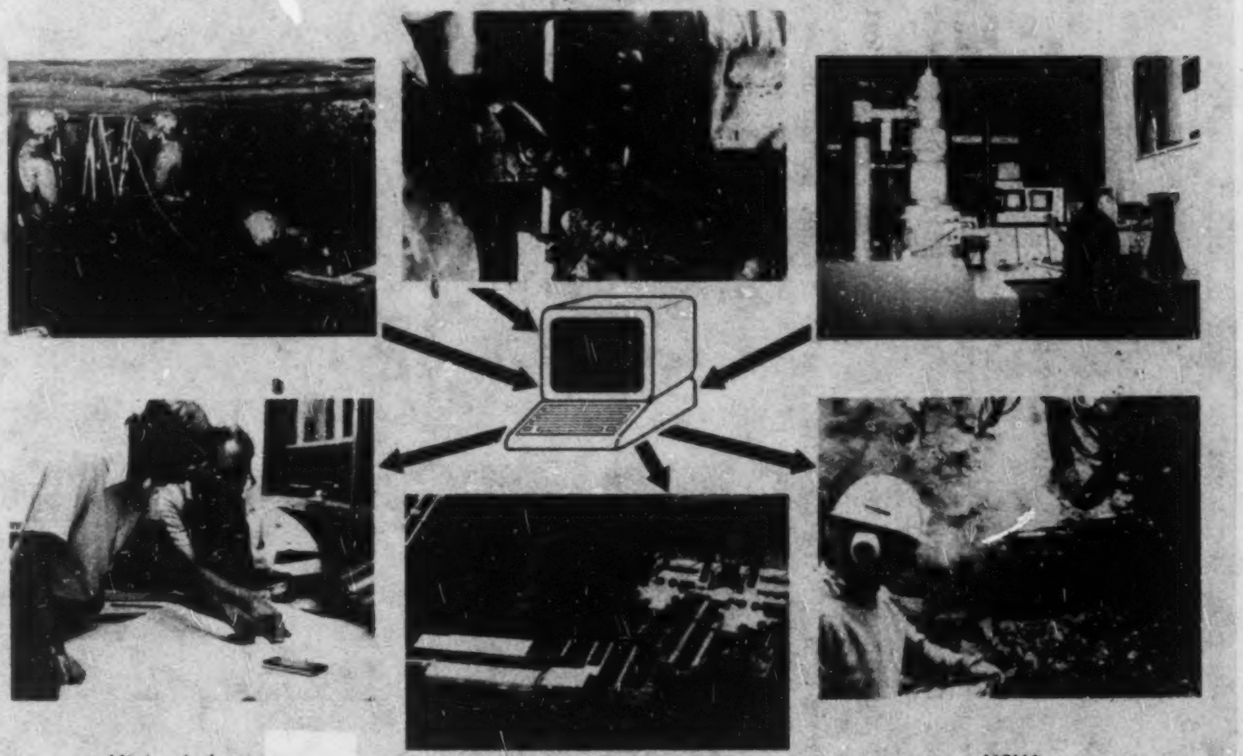
We are now looking at some fine tuning arrangements of this system before we go to equipment manufacturers in terms of them building it into the machine.

COAL DUST GENERATION ANALYSIS

Now relative to your question about the specific areas where there was additional funds added by the Congress, we have discussed the mineral institutes, particularly the generic centers. Figure 5-B addresses one project, specifically the development of computer analysis of coal dust generation. And the important thing to remember, sir, is that it is a team effort with a lot of players, and it is basically being managed by Bureau personnel.

[The information follows:]

Figure 5-B


COMPUTER ANALYSIS OF COAL DUST GENERATION
Bureau of Mines Research
Industry Cooperation
Generic Institutes
Mining Industry
Machine Designers
MSHA

Mr. **Murphy**. Some of the fundamental research is being done by the generic centers in conjunction with in-house studies, as well as participation with the industry. What we expect to get out of this project, and there are some preliminary results that are already very encouraging, is improved machine design relative to cutting and also the mine inspectors having additional data relative to compliance.

WILBERG MINE FIRE

In the other areas, where there were supplemental funds provided, one, of course, relates to the outgrowth of the Wilberg mine fire. The upper left-hand graphic of Figure 6-B, shows a picture of some smoke coming from the mine portals during the fire. There are a variety of things ongoing as a result of that fire. Some include some large-scale experiments looking at the effectiveness of different suppressing agents that have been suggested by some of the mine rescue people at Wilberg to be quite effective.

The upper right picture of Figure 6-B shows a 20-ton mine fire being conducted in our experimental mine where we are looking at the effectiveness of suppressive A and B, et cetera. In addition to that, we have done work on the use of specialized detectors, and I will describe that in a moment on another figure. In the lower left of Figure 6-B is a submicron particulate analyzer now being commercialized by Pyott Boone and is a very exciting device as it relates to early fire detection. The center graphic of Figure 6-B relates to some of the postdisaster support work as it relates to the Wilberg fire and specifically the evaluation of the self-rescue devices that were recovered from Wilberg.

[The information follows:]

WILBERG MINE FIRE

Figure 6-B

MINE FIRE DETECTION

Mr. **Murphy.** Of course, the lower right graphic addresses some of the mine monitoring work that is ongoing which we feel, in conjunction with the appropriate types of sensors, is a good tool for the early detection of fires, such as the Wilberg mine fire. In Figure 7-B is a statistic, just to remind you of the magnitude of the problem. There have been over 200 coal mine fires since 1970, and 27 fatalities at Wilberg. This, sir, does not address mine explosions, but simply mine fires.

The upper left of Figure 7-B shows some work that we are doing at the request of MSHA, and specifically looking at how different types of conveyor belts burn, depending on the air velocity that goes over the belt. This is a specialized fire tunnel we use to conduct that particular type of work. These graphics on Figure 7-B also address some of the detection work. In the lower right of Figure 7-B, for example, is a version of that submicron particulate analyzer. This prototype offers an additional feature, and that is it can distinguish between the particulate produced by diesels and that produced by a fire. So that if you have a dieselized mine, and if this technology matures, as we expect, it will in fact be able to discriminate between these two sources of particulates.

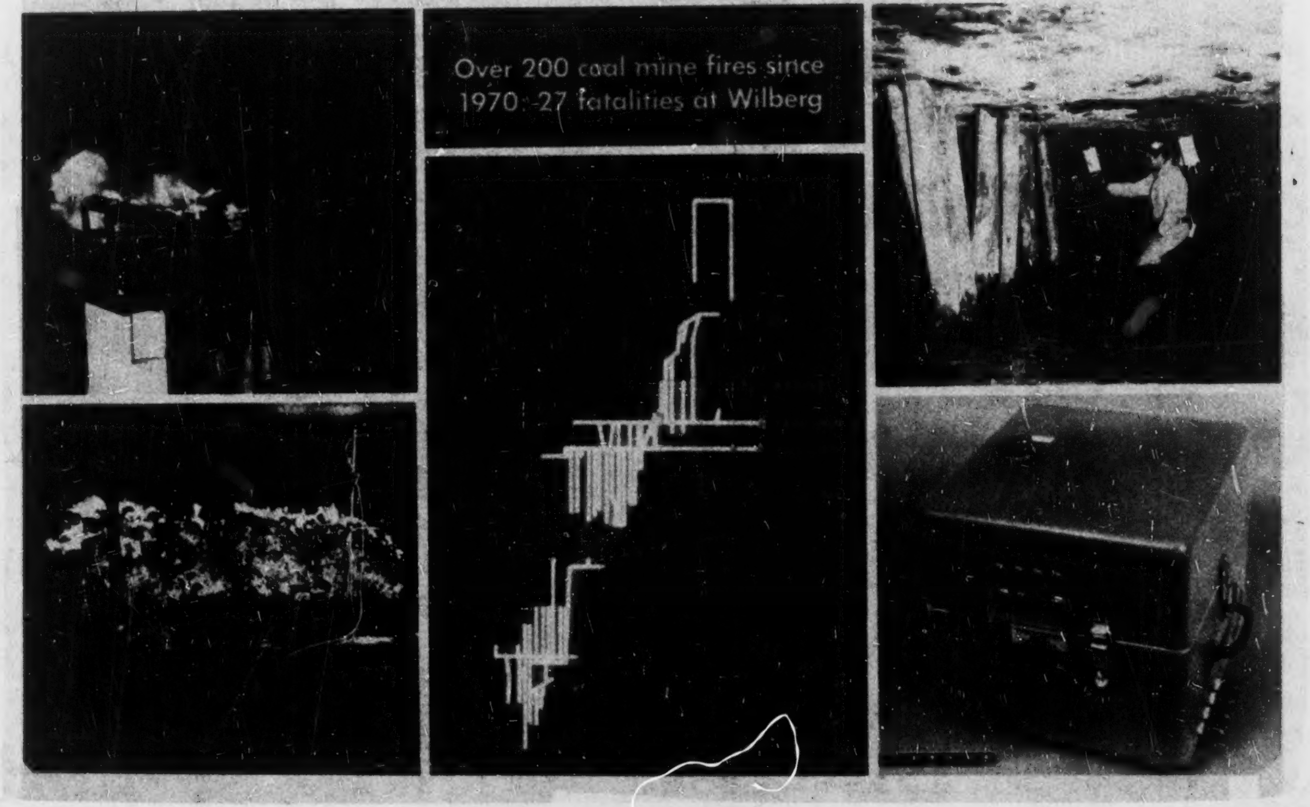
Figure 7-B shows some of our in-mine studies as it relates to the placement and performance of different types of sensors. The sensor shown in the upper left is a specialized air velocity sensor, and in the lower left this is a carbon monoxide sensor, which is another candidate for early fire detection. And the graphic in the center addresses a computerized scheme to analyze escape ways, particularly in multiple-level mines, and also to predict how the smoke and combustion products would go through the mine, depending on ventilation conditions.

So you, as the mine manager, can plan escape ways and you can do this in real time so that if you have changing conditions during a disaster, you can advise people on the proper way to escape.

[The information follows:]

Figure 7-B

EARLY DETECTION OF MINE FIRES



Over 200 coal mine fires since 1970 - 27 fatalities at Wilberg

RESPIRABLE DUST REDUCTION

Mr. **Murphy**. Now, we talked about the respirable dust before, and I think Figure 8-B is an interesting example, sir, of the importance of an overall integrated program. In fact, this is some work we are actually doing in the mining technology area, and it looks very promising in terms of improved productivity, improved machine design and so forth; however, it is also quite exciting in terms of reducing respirable dust.

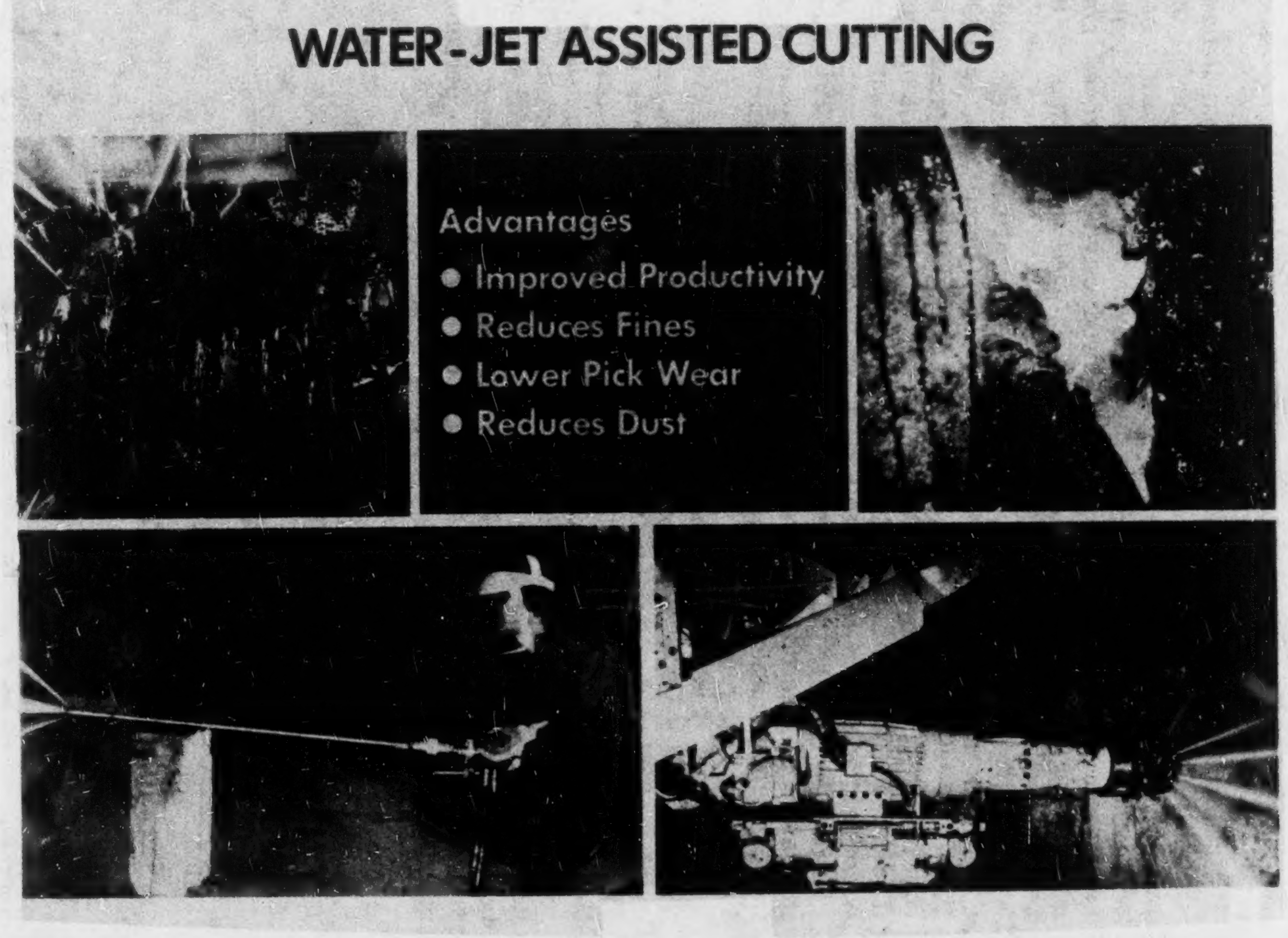
Basically what we are doing is taking a typical tungsten carbide cutter pick, and applying at the tip of the pick about 4,000 to 5,000 PSI water jet. Now, if you or I took that water jet and applied it to coal by itself, all we would do is make the coal wet. It will not cut it. However, we find that if we marry the cutter pick with the water jet, as shown in the upper left and lower right graphics of Figure 8-B, that we get significant reductions in fines, for example, increased productivity, significant reductions in pick wear and from the health and safety viewpoint, we appear to get some rather significant dust reduction.

Mr. **Yates**. It is like a dental drill, isn't it?

Mr. **Murphy**. As a matter of fact, sir, it is, yes. There is another version of what we have done, which is shown in the lower left of Figure 8-B which is almost an exact analogy, because in this particular case we are using water that is on the order of about 30,000 to 40,000 PSI. And this is a hand held drill for drilling horizontally into the face. There is another version being looked at for a roof bolter for drilling holes in the roof. In this case, the water jet is actually doing about 90 percent of the cutting and the 10 percent, mechanical cutting just trims the hole.

[The information follows:]

Figure 8-B



WATER-JET ASSISTED CUTTING

Advantages

- Improved Productivity
- Reduces Fines
- Lower Pick Wear
- Reduces Dust

Mr. YATES. All right. Thank you, Mr. Murphy. Thank you very much.

MINERALS AND MATERIALS RESEARCH REDUCTIONS

Mr. Horton, would you give us an extensive report, for the record, on what the effect of the reduction would be under your minerals and materials appropriation and also on the materials and recycling?

Mr. HORTON. We noted those areas in the budget. We will expand on that.

[The information follows:]

MINERALS AND MATERIALS RESEARCH REDUCTIONS

The effects of the reduction in the Minerals and Materials Research Program would be as follows:

Contracted research at Idaho National Engineering Laboratory on plasma technology, bioleaching methods, use of inorganic membranes in minerals processing, rapid solidified alloys, silicon nitride based ceramics, and substitutes for platinum catalysts will be discontinued.

Accelerated inhouse efforts on the recovery of titanium from domestic resources, on the identification and metallurgical evaluation of Alaskan resources, and on the study of new beneficiation techniques applicable to oxide minerals will not be funded.

Leaching studies to recover base metals from sulfide concentrates and studies of mineral response to magnetic fields will be discontinued. The level of effort on the use of microwave energy in mineral processing will be reduced.

Metallurgy research on technology for preparing titanium alloy powder will be phased out. Research on arsenic extraction from wastes and critical metals recovery from titanium processing will be discontinued. Contract research being conducted by St. Joe Minerals Corporation to convert zinc oxide flue dust to metallic zinc will not be funded.

ROBOTICS

Mr. YATES. What about robotics? Congress added $1 million for industrial hazards for research and robotics. We want to know how those funds were utilized in 1986.

Mr. HORTON. Mr. Murphy touched briefly on those. We can give you a larger report on it for the record.

[The information follows:]

BUREAU ROBOTICS RESEARCH

The Bureau is conducting a program of research that concentrates on advancing the technologies of sensors, artificial intelligence, and automation for increased mining productivity and removal of the worker from hazardous areas and tasks. The design of an intelligent, autonomous mining system is still in the future, but payoffs in increased safety and productivity may be anticipated from intermediate technologies developed in pursuit of the goal.

Specific Bureau research in robotics includes:

1. An intelligent system for controlling the operation of the continuous miner is being designed. This will prevent stress failure of the machine and optimize machine operator control. An important aspect of this work is the development of sensors for detecting the coal/rock interface. The Bureau is currently working on a very promising coal interface detector that uses machine vibrations for sensing the coal/rock boundary.

2. A computer-based expert system to monitor failure diagnostics and provide advice on maintenance and repair is being evaluated for increasing machine availability.

3. A knowledge-based decision support system is being produced to assist the foreman in the mine in making uniform, high-quality management decisions in the de-

ployment of face equipment and provide expert assistance in responding to critical situations.

4. An exhaustive Bureau analysis concluded that a roof bolter, capable of installing roof supports before mining, provided exceptional safety advantages. The results clearly indicated that this concept was the superior choice since the workers would always be under supported roof. The Bureau is currently investigating the design of a robotic premining bolter machine.

ROBOTICS IN INDUSTRY

Mr. YATES. Are you using research on robotics only in Mr. Murphy's appropriation?

Mr. HORTON. No, both in health and safety and mining technology at these four centers.

Mr. YATES. Are any of the companies doing any robotics work?

Mr. HORTON. Yes.

Mr. YATES. I would have thought they, more than you, would have been doing robotics work because they would be interested in saving on labor costs, wouldn't they?

Mr. HORTON. Yes.

Mr. YATES. Can you also tell us what the private sector is doing in the field of robotics?

Mr. HORTON. Yes, sir. We work closely with them.

[The information follows:]

PRIVATE SECTOR ROBOTICS RESEARCH

Mining equipment manufacturers have designed remote controls for mining machinery and automated certain mining cycles such as drilling, roof bolting, longwall supports, etc. The research effort to apply robotic technology to effect a reduction in worker hazards or increase mining production efficiency is long-term in nature. The heavy capital investment required and the risks associated with this type of research in relation to investment have discouraged the mining industry and the equipment manufacturers from pursuing robotic technology for the mining industry, as their research efforts tend to favor near-term payoff rather than long-term improvements.

GREATER COAL MINE DEPTH

Mr. YATES. The industry is now going to greater and greater depth for its coal. What additional difficulties are being found in connection with drilling at greater depths, and what are you doing about it?

Mr. HORTON. There are increased rock stresses and the threat at least of increased methane content or methane problems.

Mr. YATES. Does this happen because you go longer or because there isn't as great a distribution of ventilation, or what?

Mr. HORTON. The rock stresses are a function of the depth. The methane, again, in part because of the rock pressures, hasn't been able to escape as it might elsewhere—a higher content of methane in a smaller volume of rock.

HARNESSING METHANE

Mr. YATES. Are you thinking about harnessing methane?

Mr. HORTON. Yes. There is one company in Salt Lake City, an engineering company, that contracts with mining companies for methane draining. Companies, particularly in Alabama, make a fair income from selling methane from both vertical and horizontal holes.

Mr. YATES. You have nothing to do with that?

Mr. HORTON. Yes, sir. We pioneered that.

Mr. YATES. Are you through pioneering it?

Mr. HORTON. Pretty close. Because it has widespread commercial adoption now.

INDUSTRIAL USES

Mr. YATES. Anything else that has cost you, that you have done, that is close to industrial adoption?

Mr. HORTON. There are a substantial number of equipment items——

Mr. YATES. Do you want to give us a review for the record?

Mr. HORTON. Yes. We prepared one for Mr. Rahall. We will be pleased to.

[The information follows:]

ITEMS PIONEERED BY THE BUREAU THAT HAVE BEEN ADOPTED[1] BY INDUSTRY

RESPIRABLE DUST

Water proportioning for longwall shearer dust control
Stage loader design for longwall dust control
Methods to reduce dust from support moves at longwalls
Methods to reduce dust from roof bolters
Anti-roll back water spray systems for dust control on continuous miners
Bag nozzle systems for dust reductions at baggers' station in silica mills
Tubing by-pass system for roof bolter dust reduction on continuous miner sections
Overhead air supply island scrubber air curtain for silica mills
Light scattering dust meter (RAM-1 and mini-RAM)

NOISE CONTROL

A quiet auger miner
A quiet longwall shearer drum
A mine-worthy noise dosimeter
Methods to quiet chain conveyors
Methods to quiet preparation plants
A quiet portal bus
A quiet load-haul-dump machine

VENTILATION

New stopping construction techniques
Water spray cooler
Thermal energy recovery for deep mines

INDUSTRIAL HYGIENE

Catalytic exhaust scrubber for diesel exhaust
NO_x dosimeter

GROUND CONTROL

Prediction of trends of hazardous ground through geologic analysis
Automated temporary roof support
CRM-100 closure rate meter
No-mix resin cartridge
Steel fiber reinforced concrete crib blocks
Roklok binder for consolidating mine roof and rock
Mine Production Analysis Systems Simulator (MPASS) for mine operators

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[1] Adopted is defined as sold for use in the mining industry, or a technique used by the industry, or the results were used by the inspectorate for the development of regulations.

INDUSTRIAL HAZARDS

Human Factors

Training materials for routine and nonroutine tasks in mining
Nonslip footwear
A model health and safety program
A prediction of the manpower and training needs of the industry

Electrical

DC fuse use criteria for MSHA standard Part 28 and Underwriters Laboratory standard 19BM
Permissible cable splicing kit

Equipment

A computer program to evaluate canopy design
A safe way to apply conveyor belt dressing
Bin design guidelines to prevent suffocation deaths
Haul road design guidelines

Communications

Computerized belt-haulage monitoring systems
Computerized management information systems
Improved methane sensors for mine monitoring
Improved airflow sensors for mine monitoring
Improved carbon monoxide sensors for mine monitoring
Geotomography using medium frequency techniques

Illumination

A portable calibration source for photometers

Haulage

An improved arrestment device for mine cages

FIRES AND EXPLOSIONS

Passive water barrier for explosion suppression
Modified bits to reduce frictional ignition and wear
Submicron particulate sensor

METHANE

New techniques for methane reduction on longwall faces
Dissolution test for determining gas content of salt
Methane control using horizontal holes in advance of mining
Methodology for determining gas content of oil shale deposits
Gas content determinations of evaporite formations using acoustic monitoring during dissolution

POSTDISASTER

Emergency management procedures
Methods for deployment of self-contained self-rescuers

EXPLOSIVES

Findings regarding explosive sensitivity was used by MSHA in rulemaking
Findings regarding detonation delay accuracy was used by MSHA in rulemaking and prompted manufacturers to modify their detonator manufacturing procedures

MINING TECHNOLOGY

Sodium lauryl sulfate to inhibit acid mine drainage
Sodium lauryl sulfate in pellets to provide extended control of acid mine drainage
In-line treatment system for acid mine drainage control
Wetlands for acid mine drainage control
Water-jet-assisted cutting for road headers
Subsidence prediction model

CONCEPT VALIDATION

Mr. **Yates**. What about items that remain to be tested? Last year the committee added $1 million, and you are cutting back on concept validation. It doesn't make sense, does it? Shouldn't we be validating these concepts that we put extra money in last year rather than cutting back on it?

Mr. **Horton**. We have validated a very large number of them and are continuing this year to do more of them.

Mr. **Yates**. You are going to have a validation of selected underground technology according to your justification.

Mr. **Horton**. Yes.

Mr. **Yates**. When you say selected, is that one or two items?

Mr. **Horton**. This year we will have—we have more than that. I can think of——

Mr. **Yates**. Three?

Mr. **Horton**. No. For completion this year, for instance, we have a conveyor belt service machine, umbrella miner, multiple unit conveyor holder——

Mr. **Yates**. How many remain?

Mr. **Horton**. Of those that have not been fully evaluated and that we have not requested funds for is an automated robot bolter and a conveyor.

ACID MINE DRAINAGE

Mr. **Yates**. Let's talk about acid mine drainage. You have a low-cost method for treating acid mine drainage. That is ready for industrial adoption?

Mr. **Horton**. There are two techniques. One, the in-line aerator system, which we have demonstrated the last couple of years, is now, I believe, operating in 15 mines, and we expect several more mines to build their units similarly.

Another one that uses the wetland system, bogs, we expect to see about 100 mining companies with that system installed.

Mr. **Yates**. Don't you have to accelerate your research in acid mining for acid mining technology? You are not going to do it.

Mr. **Horton**. We have done much along that line; several techniques have been adopted. This in-line system looks fine. It is well adopted by the mining industry now. There is always more to be done, but I think we are proceeding at the right pace for it. We are beginning to look at some of the other problems, not necessarily acid mine waters.

Hard rock and coal mines are becoming very concerned about how they can walk away from a mine. How do you abandon a mine, because that is where a mining company might be held responsible for all eternity for groundwater contamination, whatever toxic elements might come from that. We are looking with the department at initiating a program to address these problems.

CHROMIUM USE

Mr. **Yates**. Has the industry participated with the Bureau in reducing the amount of chromium used?

Mr. **Horton**. No, I don't believe I can say that.

Mr. **Yates**. Should they have?

Mr. **Horton**. We are developing alloys that use less chrome. The drive for that is one of economics, and not supply. They will, I think, pick up our technology when costs say they should.

ACID RAIN

Mr. **Yates**. What do you have to do with acid rain?

Mr. **Horton**. We have done some materials research on the effect of acid rain and corrosion of metals and materials.

Mr. **Yates**. How much is in the budget for that?

Mr. **Horton**. I couldn't tell you immediately. It is a modest amount because these test sites are installed and are examined on a regular basis, but it is a few tens of thousands of dollars.

Mr. **Yates**. How much?

Mr. **Horton**. I would be pleased to give you the accurate count, but—I am advised it is $80,000.

Mr. **Yates**. Mr. Itteilag doesn't have any according to a memo we received on March 7, 1986.

Mr. **Horton**. We will talk with Mr. Itteilag and see if we forgot to advise him properly.

Mr. **Yates**. $80,000, I guess that will really get you somewhere in the program, won't it? What do you do for $80,000?

Mr. **Horton**. This is monitoring of the test sites we have installed where there are many different types of metals exposed to rain, so we end up with surface corrosion problems, which is our interest. Obviously, we are not addressing the problem of acid rain, but the effect of precipitation on corrosion of metals and materials.

LAND ASSESSMENTS

Mr. **Yates**. What is the impact of delaying implementation of the Juneau mining district study by one year?

Mr. **Horton**. Certainly not substantial.

Mr. **Yates**. What about the completion of an analysis of land status in the western states for six months, again not substantial?

Mr. **Horton**. Again, not substantial, no, sir.

Mr. **Yates**. When are you going to coordinate with the Forest Service and Geologic Survey in order to collect mineral resource information on forest lands?

Mr. **Horton**. We coordinate with them on areas proposed for wilderness studies.

Mr. **Yates**. Not on other national forest——

Mr. **Horton**. Well, the Survey did initiate a program as an adjunct to their other program at looking at entire forests. We do not have plans for doing that at the moment.

Mr. **Yates**. When are you going to complete the plan for mineral assessments for the Forest Service?

Mr. **Horton**. We are essentially complete for the Forest Service.

Mr. **Yates**. Are you?

Mr. **Horton**. Yes.

Mr. **Yates**. The justification says you are developing a coordinated plan with the Forest Service which would indicate it is ongoing rather than permanent.

Mr. **Horton**. Let me divide that from the mineral land assessment work that is related to wilderness area withdrawals. We have about completed that work for the Forest Service. We are working with the Forest Service to identify programs for additional review of Forest Service lands not included under the wilderness designation, but have no immediate plans for funding. However, we are looking at techniques and programs that can be of assistance to the Forest Service in the land decisions that they perform.

HELIUM FUND

Mr. **Yates**. You have 221 full-time equivalents working on the helium fund?

Mr. **Horton**. Yes, sir.

Mr. **Yates**. Why so many?

Mr. **Horton**. We produce all the helium the Federal Government uses. That is a production activity.

Mr. **Yates**. Are they all in Amarillo, Texas?

Mr. **Horton**. We have three people here, all the others are in Amarillo, Texas.

Mr. **Yates**. How do you monitor the operation?

Mr. **Horton**. Through the Assistant Director for Helium Operations. It is a very efficient operation.

Mr. **Yates**. Do you ever have a full-scale review of the helium fund?

Mr. **Horton**. Yes, we asked for an I.G. audit two years ago, I believe. They had 41 corrections. We had 39 in place before they got done with it, and the other two, I think, have been accomplished. We monitor the financial activity through our finance office in Denver.

Mr. **Yates**. Well, now, the Rocky Mountain News had an article on July 4, 1985, saying helium hoarding should end. The helium stockpiling should be axed, too costly a program, which is unnecessary. Do you want to comment on that?

Mr. **Horton**. Yes, sir. I remember reading that at the time. The gentleman did not get his facts together well. The Federal Government, in the late 1950's, decided helium should be conserved, not looking at stockpiling in a defense sense, but it should be conserved because the fields in Kansas, Oklahoma and Texas were being depleted. To make a long story short, the Government, through the Bureau of Mines, acquired about 35 billion cubic feet of helium which is in underground storage near Amarillo, Texas. Since the mid 1970s, large quantities of helium have been discovered in the Tip Top field in the overthrust belt of Wyoming, which were totally unknown at the time this helium program went into effect. It had not yet been discovered.

With that discovery, conservation is less critical, but now you have 35 billion cubic feet of helium in storage.

Mr. **Yates**. However, it is a lot, isn't it?

Mr. **Horton**. Yes. Which is being sold to Federal agencies. Last year, about 360 million cubic feet was delivered to NASA, DOD, and DOE at prices commensurate with industry prices.

It is an effective operation. If you were to solicit from scientists across the U.S. whether the conservation program was good or bad, they would state that it was an excellent program, and we should be conserving more helium.

I think we have the right mix now. We have from 40 to 80 years supply of helium. When the Congress authorized the purchase, there was a lot more discussion about superconductivity, and the agencies expressed a need for much larger quantities of helium than they came to use.

The Federal helium operation is a good program, one I would be pleased to show anybody. I am proud of the helium operation. It is a good commercial-type program within the Federal Government.

Mr. YATES. We are going to have questions for the record, Mr. Horton. Whatever pitches you want to make for the budget, you can make. We will be glad to read whatever you tell us as requiring emergency appropriations.

Mr. HORTON. Thank you, Mr. Chairman.

Mr. YATES. Thank you very much. We appreciate it.

[Questions and answers submitted for the record follow:]

ADDITIONAL COMMITTEE QUESTIONS

RESPIRABLE DUST

Question: The justification on page 16 states that "to assure a continuing positive impact on the health and safety of mine workers, continued efforts to address the more serious health and safety problems are needed." The Bureau proposes to concentrate respirable dust research in-house instead of funding research at the Generic Center in FY 1987. How will the in-house research address the questions of dust/lung interaction investigations; dust breakage; the impact of changes in respirable dust characteristics; and the dilution, dispersion, and collection of airborne dust in mine atmospheres?

Answer: Health effects studies investigating the question of dust/lung interactions are not part of the Bureau of Mines in-house respirable dust program. Such medical studies have been conducted by health agencies such as NIOSE as well as the Generic Center for Respirable Dust and will not be performed in-house. Dust breakage or dust formation will continue to be addressed by in-house research focusing on dust formation theory and cutting modeling. The impact of changes in respirable dust characteristics which include diesel particulates will be addressed by increased efforts in differentiating diesel and silica particulates in coal mine dust as well as in characterizing particulate size distributions. The dilution, dispersion, and collection of airborne dust will be addressed by studying the effects of ventilation changes on mine dust control. The FY 1987 in-house research will focus on the development of new dust control concepts to reduce silica dust concentrations and instrumentation to provide real-time data on its concentrations in mine atmospheres.

Question: With no increase in funding in FY 1987, what research will be conducted and what research will be curtailed by the Generic Center for Respirable Dust?

Answer: Using FY 1986 funds, the Generic Center is funded through the 1987 academic year for all five principal areas: (1) medical studies to relate dust exposure with lung diseases such as black lung and emphysema; (2) coal fragmentation studies; (3) dilution, dispersion, and collection of dust, (4) dust characterization; and (5) relationship of mine environment, geology and seam characteristics to dust generation and mobility. This work will continue in FY 1987 as planned; however, no new projects will be initiated in FY 1987.

Question: What additional in-house research will the Bureau undertake in respirable dust in FY 1987?

Answer: The major emphasis of the FY 1987 respirable dust in-house research program will be directed toward solving the silica (quartz) dust problem in coal mines. Research will focus on the drum-type continuous miner sections of coal mines. New concepts of reducing the silica fraction of respirable dust will be examined, such as atomized auxiliary water spray systems, portable dust collectors, and improved coal-cutting drum designs. A prototype real-time personal dust exposure monitor that can be used by the underground mine worker to instantaneously assess dust levels and to determine the effectiveness of control methods will be evaluated to determine its in-mine performance capabilities. The monitor will be evaluated to determine its in-mine performance capabilities. Research to differentiate diesel particulate dust from coal mine dust will continue.

Question: Why will this increase in in-house research require additional funding in FY 1987?

Answer: Additional funding will increase emphasis on the serious silica dust problem affecting the mining industry. Specifically, a project on the characterization of particulates will address this problem area.

PHYSICAL AND CHEMICAL AGENTS

Question: The Bureau is proposing a new initiative in FY 1987 which is to study industrial hygiene, radiation hazards, and noise control. In FY 1986, the Committee did not fund industrial hygiene or radiation hazards. Why has the Bureau determined that the reinstatement of research in this area is of higher priority than research the Bureau was directed to perform in FY 1986?

Answers: The Bureau is performing noise control research as directed in FY 1986 and will continue to perform such research in FY 1987. The Bureau did not propose a new initiative to study industrial hygiene, radiation hazards, and noise control. The new Physical and Chemical Agents element was established by combining health-related research areas of a similar nature which were too small to be managed effectively as separate elements. The new toxic products and airborne contaminants subelements include a limited amount of research which would previously have been included under Industrial Hygiene because the Mine Safety and Health Administration, industry, and health agencies have determined that research involving detection, measurement, and control of certain toxic substances such as diesel emissions is still needed.

Question: Of the $939,000 proposed for Physical and Chemical Agents research, how much will be allocated to hearing hazards, toxic products, and airborne contaminants, all new subelements in the Bureau's budget?

Answer: The allocation of funds to the hearing hazards, toxic products and airborne contaminants subelements is as follows:

Program Area	Proposed FY 1987 Funding
Hearing Hazards	$400,000
Toxic Products	250,000
Airborne Contaminants	289,000
Total	$939,000

ROOF SUPPORT

Question: When will the Bureau achieve its goal of installing roof support prior to excavating new mine openings?

Answer: Several years ago, the Bureau began investigating different concepts to provide roof reinforcement or support in underground mines prior to the removal of coal. Included in the studies was research to determine the effectiveness and feasibility of forepoling support. Forepoling may be considered a form of injection support, whereby inclined holes are drilled from the coal face upward into the overlying roof. Wooden dowels, fiberglass rods or inorganics and resins are then cemented or injected into the holes to fill all voids and provide roof integrity in advance of mining. Further research is needed to advance this technology to a production operation, so it is difficult to anticipate a date for introduction of this new technique. Forepoling has been demonstrated to be an effective support of roof during mining operations, but it has not been comparatively evaluated with conventional roof bolting as an accepted technology for all mining systems.

COAL MINE INJURY STUDY

Question: In FY 1986, the Committee directed the Bureau to fund a coal mine injury study at Pennsylvania State University. The justification states that this effort will be continued in FY 1987 if results are favorable. What is the likelihood that results will be favorable?

Answer: A Cooperative Agreement is currently being established with Pennsylvania State University to implement this study. The planned research will be a $330,000 effort ($300,000 Bureau funded and $30,000 Pennsylvania State University funded) conducted over a 24 month period starting in June 1986. The effort will build upon prior and on-going Bureau research. Favorable results are anticipated early in FY 1987, but it would be presumptive at this time to place a probability on the outcome.

Question: What level of funding is included in the FY 1987 request for the continuation of this research effort if the results are favorable?

Answer: Funding provided in FY 86 will be adequate through FY 1987. Continuation beyond the initial agreement, if appropriate, will be considered during FY 1988.

INDUSTRIAL HAZARDS

Question: Provide for the Committee a breakdown of the $6,357,000 requested by the Bureau for Industrial Hazards into its component parts: human factors, electrical hazards, equipment hazards, and haulage and materials handling hazards.

Answer: The breakdown of the $6,357,000 requested by the Bureau for Industrial Hazards is as follows:

Program Area	Proposed FY 1987 Funding
Human Factors	$2,001,000
Electrical Hazards	1,133,000
Equipment Hazards	1,489,000
Haulage/Materials Handling	1,734,000
Total	$6,357,000

ROBOTICS RESEARCH

Question: The justification on page 33 states that the current phase of efforts in long-term robotics technology research under contracts with Carnegie-Mellon and West Virginia Universities is scheduled for completion in FY 1986. Will the results of this research lead to the implementation of any new technology in operating mines?

Answer: To increase Bureau research in expert systems, Carnegie-Mellon and West Virginia Universities have been awarded shared cost contracts in robotic technology research. The goal of the research is to advance the technology in knowledge-based computer systems, particularly in intelligent task control of a continuous miner and an expert system to aid a foreman in a mine in decision-making and section management. The research results from these contracts should accelerate the application of emerging artificial intelligence technology to the mining industry resulting in reduced risks and hazards to the workers and enhanced resource recovery.

SELF-CONTAINED SELF-RESCUER

Question: Discuss the research which will be conducted in FY 1987 in respect to a smaller, lighter weight self-contained self-rescuer that is belt wearable.

Answer: A planned development contract for a belt-wearable self-contained self-rescuer (SCSR) is scheduled for award in FY 1986. The purpose of this contract is to provide engineering designs and prototypes of two kinds of belt-wearable self-contained self-rescuers, a chemical oxygen type and a compressed oxygen type. The FY 1987 funding in this area will provide for the inhouse monitoring of this contract.

Question: What are the economics of such a self-contained self-rescuer?

Answer: A belt-wearable SCSR is expected to cost about the same as the currently required 60 minute duration unit ($350 to $450 each).

Question: How does the Bureau obtain direct input from miners as to what is wearable in various mine situations?

Answer: The Bureau has conducted a number of studies over the last five years to determine the weight and size limitations for belt-wearable SCSRs. Most of these efforts have involved participation of miners from operating mines, and in some cases they were conducted in cooperating mines. In addition, efforts related to the development of a belt-wearable SCSR have been coordinated extensively with the United Mine Workers of America, the American Mining Congress, the Bituminous Coal Operators' Association, MSHA, and NIOSH.

MINE DISASTER PREVENTION

Question: Provide a breakdown of the $2,892,000 requested in FY 1987 for Mine Disaster Prevention into its subelements; fire hazards, explosion prevention, survival and rescue, and gas migration and outburst.

Answer: The breakdown of the $2,892,000 requested in FY 1987 for Mine Disaster Prevention is as follows:

Program Area	Proposed FY 1987 Funding
Fire Hazards	$1,380,000
Explosion Prevention	1,264,000
Survival and Rescue	124,000
Gas Migration and Outburst	124,000
Total	$2,892,000

Question: The Bureau is proposing 42 full time equivalents for the Mine Disaster Prevention element. In undertaking the consolidation of numerous program elements into this new program element there has been a reduction in the number of full time equivalents. What is the magnitude of that reduction?

Answer: The consolidation of Fire and Explosion Prevention, Postdisaster and Methane Control research under the new Mine Disaster Prevention element will result in a net reduction of 23 full time equivalents.

Question: Were these Bureau employees shifted to other research areas in the Bureau or let go?

Answer: While attrition will handle some of this reduction, the reduction of 23 full time equivalents may result in a limited Reduction-in-Force at one or more Research Centers. Those employees with transferable skills that are willing to relocate will be considered for any other positions in the Bureau for which they are qualified.

FIRES AND EXPLOSIONS

Question: On page 40 of the justification in the discussion of the work proposed in FY 1987 for Systems Engineering, mention is made of research in sealed mine fires and diesel-discriminating mine fire detectors conducted at the Bruceton and Lake Lynn test facilities. What impact does the reduction in research on fires and explosions have on research and tests in this area?

Answer: There will be no reduction in the level of effort of research proposed in FY 1987 concerning sealed mine fires and diesel-discriminating mine fire detectors as a result of a reduced effort in fire hazards research. Research and tests associated with this area have been identified by the Bureau as being of highest priority.

MINING TECHNOLOGY

Question: On page 43 of the justification there is a discussion of the impact the Gramm-Rudman-Hollings reduction will have in Mining Technology. The justification states that research in all program areas will be stretched out, resulting in delays in obtaining research results. Discuss the impact of stretching out research in these areas.

Answer: The greatest impact of Gramm-Rudman-Hollings will be in stretching out some of the longer term research projects which address new techniques to solve current mining problems. For example, in Coal Mining Technology, fundamental work in coal/rock interface detection for automation and robotics will commence in FY 1987, delaying by one year the initiation of this work. Under Conserving Land Resources, the four planned subsidence research sites in southern West Virginia in FY 1987 will be reduced to three active sites. This will lengthen the time required to obtain the desired statistical data necessary for verification of the Bureau subsidence prediction model for the southern West Virginia coal field.

Question: The justification states that "improved technologies are necessary in order to recover economically low-grade critical and strategic mineral deposits that are now unmined and will remain so without innovative advances." Is anyone besides the Bureau examining the development of this technology? If not, how does the Bureau justify the proposed reductions in Mining Technology?

Answer: Research currently being conducted by the mining industry is generally limited to incremental improvements of existing technology because of economic conditions. Scientific research is generally conducted in cooperation with the Bureau of Mines. For instance, the Bureau is cooperating with several mining companies on applying new mining concepts or techniques to recover ores more efficiently. One such venture, with the Homestake Mining Company in South Dakota, involves a method known as vertical crater retreat which allows a less labor intensive recovery of ore in selected deposits with greater efficiency of production and improved conservation of the resource. Another, called the underhand longwall, is being evaluated at the Hecla Mining Company's Lucky Friday Mine in Idaho. This concept is a radical departure from conventional vein mining, and holds high potential for efficient recovery of vein-type deposits with improved control of rock bursts.

The Bureau believes research on low-grade mineral deposits must continue and has planned to fund this effort in FY 1987. The reduction in the FY 1987 Metal/Nonmetal Mining Technology program reflects the completion of the Federal commitment for the engineering/design phase of an in situ copper mining pilot demonstration.

MINERAL LAND ASSESSMENTS

Question: On February 4, 1986, Secretary Hodel addressed the American Mining Congress. During his presentation he stated, "During the past year, the Interior Department has made changes and improvements in our mineral resource assessment process." Discuss the changes and improvements that have occurred in the Bureau of Mines to assess the mineral resources on the public lands and ensure an adequate supply of strategic and critical minerals.

Answer: The Bureau of Mines has made improvements in the mineral resource assessment process during the last year that are concerned with communication, usefulness, and methodologies of the mineral studies. Communication improvements include routine discussions of the study findings with local and regional land managing agency representatives in the Bureau of Land Management and the Forest Service. Results of the mineral surveys are also provided to agency land planners in Washington. The Bureau prepares Mineral Summary reports for each of the House and Senate wilderness bills for Congressional use. These briefing reports contain information, in non-technical terms, on the mineral commodity significance, reported production, mining districts, mines and claims, recent company activity, and mineral setting for all areas in a bill.

The usefulness of the Bureau's Mineral Land Assessment open-file reports has been improved. The report format was enhanced in 1985 to include more quantitative and economic mineral information in non-technical terms. This has increased the effectiveness of mineral information in land managing agency land-use decisions.

The Bureau is developing alternative methodologies for quantifying mineral potential for undiscovered resources. The Bureau's Rockval statistical assessment may provide a new method in quantifying the significance of undiscovered mineral deposits and may be a useful tool in the future. It not only estimates quantitatively the minerals environment of a certain area at alternative levels of certainity, but it also estimates economic recoverability of the endowment. Improvements in the mineral assessment process will continue to be made as the Bureau works closely with the land managing agencies and Congressional staff.

EXTERNAL RESEARCH GUIDANCE

Question: How does the Bureau obtain ideas and guidance from industry, academia, and other Government organizations?

Answer: The Bureau uses several techniques to encourage input from outside sources. Industry, for example, transmits their research needs to the Bureau through technical interaction with Bureau personnel and through their willingness to cooperate on joint Bureau projects. The technical interaction takes place both through formal meetings such as Technology Transfer Seminars and informal contacts between Bureau and industry technologists at the Bureau's Research Centers and at cooperator facilities.

Project planning activities are another mechanism that the Bureau uses to gain outside input into the research program. Project 2000 used interviews with top academic, industrial and government officials as a means of gaining access to outside ideas on the direction that the Bureau should take in the future. In another part of Project 2000, a committee of outside experts was assembled to obtain feedback on future problems of the mineral industry.

Within the government, the Bureau interacts closely with other agencies including the Mine Safety and Health Administration (MSHA), Environmental Protection Agency, Office of Surface Mining Regulation and Enforcement (OSM), and the Geological Survey regarding the research program. MSHA, as an example, jointly ranks the Health and Safety projects with the Bureau to formulate the research program.

HEALTH AND SAFETY DECREASES

Question: The Committee on Minerals Technology for the National Research Council of the National Academy of Sciences has recommended specific areas of study for the Bureau such as research into technologies to maximize resource recovery from domestic mineral deposits while mining at greater depths and/or in lower grades of ore. On page 61 of the Project 2000 report it states that "Increases in production will be accomplished under more adverse conditions and at greater depths . . . (requiring) simultaneous innovations in safety technology to reduce industrial type accidents. . . ." Why then is there such a significant decrease in health and safety technology from the FY 1986 level?

Answer: The reduction in Health and Safety Technology reflects the conclusion of some research efforts and the shift of some resources to the highest priority research. In ground control, for example, the reduction was a result of the conclusion of the mine waste stability research.

OFFICE OF SURFACE MINING

Question: How is the research in the Resource Conservation Technology element similar to that which is conducted by the Office of Surface Mining?

Answer: Both the Bureau of Mines and the Office of Surface Mining (OSM) are seeking to minimize the environmental damage caused by the recovery of coal through research programs which address similar issues but with different focus and time frames. Areas of mutual interest include surface subsidence, acid mine water, and abandoned mine or waste pile fires. The Resource Conservation Technology program is focusing on providing the mine operator with the capability to predict surface subsidence movements and local hydrologic variations as a function of mining method and geologic context. The Bureau's short-term strategy is to focus the research program on coal basins where high mining activity is coupled with present land use requirements. These areas have been identified in cooperation with the Office of Surface Mining. In the long term, all major coal basins and mining methods will be addressed. Data from several subsidence monitoring sites have been or are in the process of being collected.

The acid mine drainage research addresses both active and abandoned mines. The Bureau is actively investigating pre-mining prediction and prevention of the formation of acid mine water, the ultimate solution to the problem. Recent research results such as the in-line aeration and treatment system and the constructed wetland system have proven effective in treating acid mine water. Relative to abandoned coal mine fires, the Bureau has developed and is testing potential methods to extinguish these fires. The Bureau is currently testing a water injection-fume exhaust extinguishment system at Renton, Pennsylvania that was funded by OSM.

Question: How is this research different from that conducted by the Office of Surface Mining?

Answer: The Bureau of Mines is conducting mostly long term and more fundamental types of research whereas the Office of Surface Mining's (OSM) research consists mostly of short term, applied efforts oriented towards solving current regulatory related problems. For example, while the Bureau is conducting long range research on subsidence prediction models, OSM is developing a guidance manual on subsidence control. The Bureau is currently conducting research on metal and non-metal mining waste and on the reduction of acid mine drainage while OSM is conducting a study on the design of coal refuse disposal facilities.

Question: What contracts does the Bureau currently have to conduct research for the Office of Surface Mining?

Answer: The Bureau is currently conducting research for the Office of Surface Mining under several Interagency Agreements:

1. Abandoned Mine Fire Extinguishment Research
2. Characteristics of Remote Combustion Signatures
3. Training - Underground Mining Techniques
4. Fill Shear Strength Research
5. Blacklick Creek Watershed Demonstration Project

Question: What research is the Bureau conducting for OSM to provide technical support for addressing problems associated with abandoned coal mine and waste fires?

Answer: The first two projects listed in the previous answer pertain to abandoned mine fire research.

Question: What memoranda of understanding does the Bureau have with the Office of Surface Mining to avoid duplication of research?

Answer: Ongoing coordination to avoid duplication of research takes place under a formal Memorandum of Understanding that was originated in 1977. Liaison individuals within the Bureau and the Office of Surface Mining have been identified to develop a research program that is responsive to the needs and missions of both organizations. Ongoing and planned coal-related environmental research projects are coordinated with the Office of Surface Mining prior to implementation.

IN SITU COPPER MINING

Question: In FY 1986 the committee provided additional funding for a design/engineering effort for an in situ copper mining pilot demonstration. What progress is being made in this area?

Answer: The Bureau is presently completing a request for proposals (RFP) to conduct an engineering and design study for an in situ mining demonstration to recover copper from Arizona copper oxide deposits. A presolicitation synopsis was published in the March 13, 1986, Commerce Business Daily. This initial engineering and design effort will focus on specifications for the in-the-ground aspects of a copper in situ mining demonstration.

Question: Is the Bureau aware of any industry who will move forward with the demonstration project?

Answer: Copper producers who are assured that in situ mining of copper would allow them to produce copper at a price competitive in the world market represent likely candidates to adopt such a mining method. The current economic state of the copper industry generally prevents private industry from taking risks on new technology that is unproven, but several companies have expressed interest in taking part in the in situ demonstration. Many technical questions remain to be resolved before in situ mining of copper can be considered a successful commercial venture.

AUTOMATION RESEARCH

Question: On page 50 of the justification it states that to offset competition from abroad and to promote a stable energy supply for our country, technology in the area of automation and robotics should be investigated for the coal mining industry. How is the research conducted under coal mining technology different from the research conducted in health and safety technology in the area of industrial hazards?

Answer: Under the Coal Mining Technology program, research is being conducted to pursue a 25% increase in overall mining efficiency through the application of automation and robotics. Research includes the investigation of sensor technology that will allow a mining machine to cut coal more automatically and with less waste rock, the investigation of machine optimization techniques that will result in a more continuous output of coal, and investigations into expert systems that aid coal mine management in decision making. The Health and Safety program is investigating technologies that seek to remove the miner from hazardous environments. Thus, the health and safety focus is on remote control of existing machines. Coordination between the two programs on this important work, which is performed at the Pittsburgh Research Center, is routinely conducted to insure appropriate research direction and optimal allocation of resources.

MINE SUBSIDENCE

Question: In FY 1986 the Committee added $500,000 for mine subsidence studies to adapt the Northern Appalachian subsidence prediction model to other coal fields. The justification on page 57 states that fundamental information needed to adapt the recently developed Northern Appalachian subsidence prediction model to other coal fields will be developed and transferred to the private sector. What is the status of the development of this "fundamental information" and the transfer of the model to the private sector?

Answer: The applicability of this model for accurate predictions in other coal regions is being assessed. Eleven data sets were utilized to establish the Northern Appalachian model. To establish the applicability of the model to other areas, a minimum of four data sets is required. Additional funding in FY 1986 allowed expansion of the study area into southern West Virginia. Other sites under consideration are in Alabama and Virginia as well as the current sites being studied in Pennsylvania, West Virginia, Ohio and Illinois. At selected sites, shallow aquifer monitoring wells have also been installed to observe the effects of subsidence on the groundwater system.

The Northern Appalachian model was first presented to the mining industry at a Technology Transfer Seminar in the fall of 1985 and is available in Bureau of Mines Information Circular 9042, "Mine Subsidence Control." To date the Bureau has filled requests for the model from more than 100 mining operators and the Office Of Surface Mining.

MINERALS AND MATERIALS RESEARCH

Question: In the discussion of the Gramm-Rudman-Hollings impact on minerals and materials research the Bureau states that research in all program areas will be stretched out, resulting in delays in obtaining research results in addition to delaying acquisition of equipment, supplies, and materials. What is the impact of these delays on the research in progress?

Answer: Cutbacks in funding as a result of Gramm-Rudman-Hollings legislation will delay the completion of some research efforts. It will take longer to acquire the data and may mean that transfer of newly developed technology to commercial acceptance will be delayed. Some lower priority work will not be undertaken as planned.

Question: The justification further states that some lesser priority research efforts may be eliminated. What research falls into this category?

Answer: The funding reduction in Minerals and Materials Research (MMR) was distributed proportionally across all MMR projects. As a result, some research tasks have been deleted or deferred.

MINERAL RESOURCES

Question: In the Mineral Resources element the Bureau has focused in FY 1987 on a new field of research, research into the impurity control in dilute aqueous solutions and in water used for mineral production facilities. Discuss this new area and how it evolved into a priority for the Bureau.

Answer: The Bureau has conducted research on several methods of controlling impurities in mineral processing water for a number of years, but the projects involved generally were peripheral to other issues of concern to the Bureau. The matter of water as it relates to mineral processing has become much more important, in part because of the effect of environmental legislation. There are increasing concerns in the public and private sectors about water quality, ranging from silt discharged into Alaskan rivers as a result of placer gold mining operations, to possible contamination of ground or surface waters by dissolved toxic elements. Technology used to remove metals and other materials from mineral processing streams is also applicable to cleaning up waste streams. Thus, "new" as used in the Budget Justifications does not refer to the concepts involved in solving known or anticipated impurity control problems, but rather to the establishment of a "new" subelement title, "Mineral Water Use." In addition, research conducted under this subelement is coordinated closely with the research conducted in the subelement, Minerals Waste Management, in the Recycling element, and with water quality research undertaken by the U.S. Geological Survey.

Question: The Bureau proposes that reductions in Mineral Resources will occur in in-house efforts on the recovery of titanium from domestic resources and on the identification and metallurgical evaluation of Alaskan resources. Discuss these reductions in light of your statements on page 63 which state that in FY 1987 titanium recovery research will continue with emphasis on minimizing the contamination that occurs during processing and processing methods will be selected for mineral recovery from deposits in Alaska.

Answer: Words critical to the meaning of the program decrease discussion were inadvertently omitted. The statement referred to should have read "Plans to accelerate in-house efforts... are considered low priority at this time, and will not be funded in FY 1987." It was never intended that work at the base level, described on page 63 of the Budget Justifications, be deferred.

FLOTATION DATA

Question: In FY 1987 the knowledge gained from earlier flotation studies in Minerals Technology will be applied to obtain engineering data for industrial-scale operation. What is the next step?

Answer: Transfer of emerging Bureau-developed technology is facilitated by memoranda of agreement through which commercial firms provide an opportunity for the Bureau to test and refine the techniques under actual plant conditions. Currently, the Bureau has such arrangements with the Magmont mill of Cominco American, Inc., at Bixby, Missouri, on recovering cobalt from lead flotation concentrates, and with Kennecott's Chino Mines Co., at Hurley, New Mexico, on the use of electrochemical control in flotation of copper concentrates. At the end of the cooperative test phase it is hoped that these firms and others in the industry will implement the respective technologies on a full-scale basis. Should they do so, the Bureau will assist by providing technical guidance.

Question: How will industry participate with the Bureau in the use of this data once the Bureau has obtained data for industrial-scale application?

Answer: Under the terms of a Bureau cooperative agreement, the participating industrial firm's role is clearly specified. For example, the cooperator shall provide: (a) space in the mill and utilities, including electricity, water, and air, for operation of the portable probe, (b) samples of ore, and (c) operating conditions in the mill for periods when the Bureau is monitoring particular circuits, including assays of feed, concentrate and tailings, and reagent additions. Thus, the firm and the Bureau are "partners" in the development of the technology and its ultimate adoption into commercial practice.

LEACHING

Question: Are there any plans for industry to construct a pilot plant to evaluate the work that has been done to date in the area of leaching? If so, when is this pilot plant envisioned? If not, when is industry expected to pick up on this research and advance knowledge in this field?

Answer: Industry already has begun to pick up on this research. A Bureau-developed method for chloride-oxygen leaching of arsenopyrite ore served as the basis for a small commercial operation started in September 1985 in the State of Washington. Unfortunately, it is difficult to predict when other firms will adopt this or other leaching methods investigated by the Bureau. However, we remain hopeful that as the economic conditions facing the domestic mineral industries are improved, others in turn will exhibit interest in these techniques.

RECYCLING

Question: In FY 1987 the Bureau proposes a new effort in Recycling in the area of Dust and Sludges. Why is it necessary for the Bureau to expand its research efforts into new areas in light of the statements made by the Bureau that Gramm-Rudman-Hollings will involve stretching out research in all program areas and may even result in the elimination of research in some lower priority areas?

Answer: Two major concerns addressed by the Bureau's recycling research program are developing improved technology for recovering strategic and critical minerals from wastes and providing methods for alleviating costly environmental problems of the minerals industry. In FY 1986, Congress appropriated funds for cooperative research with the St. Joe Minerals Corporation to assess flash smelting technology for treating steelmaking dusts, a known hazardous waste. In the course of the work to address this serious environmental problem, a great deal of unique fundamental data will be generated on high-temperature metal reactions. The Bureau proposes to take advantage of the data generated by the full-scale St. Joe furnace at Monaca, Pennsylvania, and, as an extension of this research and to gain maximum return for the government's involvement, the Bureau will determine the applicability of flash smelting to thermochemical processing of hazardous wastes containing cobalt and chromium.

ST. JOE MINERALS CORPORATION

Question: Discuss the progress being made in the Bureau's contract research with St. Joe Minerals Corporation to convert zinc oxide flue dust to metallic zinc.

Answer: Award of the contract to St. Joe should occur by May 1, 1986. However, St. Joe has been working using its own funds in anticipation of the award and has accomplished the following:

- Working with dusts from a local steel mill, handling techniques have been developed. Also, zinc oxide as well as an environmentally-acceptable slag have been produced. Zinc recoveries were 90 to 95 percent while lead recoveries were 95 to 98 percent.

- Post treatment options for purifying the zinc oxide to produce a product with broad market appeal have been screened.

- An application has been filed with the U.S. Environmental Protection Agency for a research, development, and demonstration permit to treat hazardous waste.

Question: What is the present cost-sharing ratio between the Bureau and St. Joe's?

Answer: During FY 1986 St. Joe Minerals Corporation will spend about $500,000 on the flame smelting project to recover zinc from zinc oxide-bearing electric arc furnace steelmaking dust. The Bureau of Mines will spend about $670,000 during FY 1986.

Question: Why is no additional funding necessary in FY 1987 to continue this research?

Answer: Additional funding was not requested for FY 1987 because the FY 1986 appropriation should be sufficient to complete the initial phase of this work, i.e., to demonstrate the commercial feasibility of the technology for recovering zinc from electric arc furnace steelmaking dusts. The project will include numerous one day tests to investigate the effectss of changes in operating conditions and two 72-hour tests to demonstrate equipment durability and operability. If these tests are successful, St. Joe should be able to complete the work which will involve refinements of the technology and the subsequent demonstration of its suitability for recovery of strategic and critical materials, e.g., chromium, from dusts.

AUTOMATED MINERALS INFORMATION SYSTEM

Question: What are the annual maintenance and operation costs of the Automated Minerals Information System? How have these costs varied from the costs incurred in FY 1985 and FY 1986?

Answer: The annual operation and maintenance costs of the Automated Minerals Information System (AMIS) were $2,214,000 for FY 1985, and are estimated at $1,821,000 for FY 1986 and $1,677,000 for FY 1987.

Question: Are there any new modifications being considered for this computer system?

Answer: A microcomputer demonstration project is being investigated as a possible lower cost modification for the AMIS. However, no decisions to modify the system have been made at this time.

DATA COLLECTION AND DISSEMINATION

Question: In respect to the Data Collection and Dissemination element, the Bureau is requesting an increase of $1,948,000 over the FY 1986 adjusted level yet states that the budget request is a decrease of $66,000 and 1 full-time equivalent in respect to overall program activity. How much of the funding for the Minerals Information System is contained in the FY 1987 budget request for Data Collection and Dissemination?

Answer: The FY 1987 estimate of $9,856,000 for Data Collection and Dissemination includes $1,600,000 for Minerals Information Systems.

BUREAU PUBLICATIONS

Question: Provide for the record the cost of producing the publications outlined on page 93 of the justification in addition to including statistics on the circulation of each publication and the importance of each document in respect to the Bureau's priorities.

Answer: The publications outlined on page 93 of the justification represent an integrated approach to providing comprehensive, accurate and timely minerals information influencing decisionmaking and policy formulation for nonfuel minerals related issues throughout Government, industry and academia. Each of the following publications is important in meeting the needs of a specific readership. In many cases the number of copies circulated vastly understates the readership as many of these publications are used as reference or resource documents.

Title	Circulation	Cost*	Importance
Mineral Perspective Series			
"Mineral Industries of Africa"	1,321	$4,420	Covers regions and countries on whom we are dependent for our mineral needs or have major impact on U.S. supply and demand or consumption.
"Mineral Industries of Europe and the U.S.S.R."	1,191	$6,996	
Mineral Issues			
"The Copper Industry of the U.S.S.R.: Problems, Issues, and Outlook"	312	$4,016	Features mineral economic policy studies and special Soviet series.
Report on Zaire	695	$1,748	
Minerals Yearbook (1983)			
Volume I (nonfuel mineral commodities)	1,857	$36,816	Basic reference document, basis for supply and demand projections and long-term trend analysis.
Volume II (mineral industry of States, Puerto Rico, and U.S. island posessions)	1,129	$24,146	
Volume III (mineral industry in 168 foreign countries and territories)	1,615	$33,802	
Mineral Commodity Summaries	7,000	$9,539	Earliest published estimates for previous calendar year for basic minerals data.
Mineral Industry Surveys			
Monthly	41,765	$81,276	Publication series featuring up-to-date coverage of mineral trends in production, distribution, inventories, and consumption.
Quarterly	14,589	$7,601	
Annual	111,500	$21,613	

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*Printing cost charged to the Bureau by the Government Printing Office.

LAND ANALYSIS DELAYS

Question: What is the impact of delaying completion of the Juneau Mining District Study by one year and delaying the completion of an analysis of land status in Alaska and western states by six months?

Answer: Delaying completion of the study for one year would disrupt the schedule of the Alaska Division of Geological and Geophysical Surveys, with whom we are cooperating on the study. It would cause delays in providing minerals information to the U.S. Forest Service for their Tongass National Forest Land Use Plan, the Bureau of Land Management for their land use study of the Haines area, and the State Land Selection Planning Effort in the Skagway subdistrict. Contract drilling and geophysical work, scheduled for the middle two years of the study, would be discontinued mid-way through the contract period.

The impact of delaying the program for analyzing land status in Alaska and the 11 western states for 6 months would be primarily an extension of time needed for completion due to already gathered data becoming outdated.

MINERAL AVAILABILITY

Question: Discuss the position of the United States in respect to mineral availability. How have the domestic supplies of nonfuel minerals varied over the past couple of years?

Answer: Table 1 shows that the aggregate dollar value of U.S. domestic nonfuels minerals production has increased annually (1982-1984), although metals increased at a lower rate than nonmetals. However, with respect to production, certain primary metal industries have experienced significant declines (copper, lead, zinc), while others have increased (gold, molybdenum).

TABLE 1

Selected Data on Nonfuel Metal and Mineral Production 1/

Item	Unit	1982	1983	1984	1985est.
U.S. Domestic Nonfuel Raw					
Minerals Production	Billion $	19.7	21.1	23.2	23.7
Nonmetallics	Billion $	14.2	15.3	17.2	18.1
Metals (U.S. ores)	Billion $	5.5	5.8	6.0	5.6
Copper	Metric tons (K)	1,147	1,038	1,091	1,050
Lead	Metric tons (K)	512	449	322	400

Zinc	Metric tons (K)	303	275	253	225
Iron	Long tons (M)	35.4	37.6	51.3	48.0
Molybdenum	Pounds (M)	84.4	34.0	103.6	107.0
Gold	Troy oz. (M)	1.47	1.96	2.06	2.40
Silver	Troy oz. (M)	40.2	43.4	44.4	43.0

1/ Source: Bureau of Mines' Mineral Commodity Summaries, 1985 and 1986. (K) = Thousands, (M) = Millions.

Over a longer time perspective and in the context of the world economy, the U.S. 5-year average annual production as a percentage of world production has declined since the late 1960's for all of the 16 major minerals and materials listed in Table 2, except for gold and lead. During the 1981-85 period, U.S. output as well as output relative to the world declined for all listed commodities except gold. Of the 16 listed commodities, the U.S. remains the largest producer of only aluminum, phosphate rock, salt, and sulfur.

Compared to the 1966-70 average as a percentage of GNP, Table 3 shows that the 1980 average value of all domestic new minerals production declined by 31%, the value of processed minerals declined by 14%, and the value of imports was up by 25%.

TABLE 2. - U.S. NONFUEL MINERALS AND MATERIALS PRODUCTION TRENDS

	U.S. Production as a % of World Prod.				U.S. World Ranking				Top 1985
	66-70	71-75	76-80	81-85	1970	1975	1980	1985	Producer
ALUMINUM	38.1	33.0	30.6	25.6	1	1	1	1	US
CEMENT	13.3	10.9	8.8	7.2	2	3	4	4	USSR
COPPER, MINE	23.5	21.0	17.9	15.2	1	1	1	2	Chile
METAL 1/	21.8	21.1	16.6	13.6	1	1	1	2	Chile
GOLD MINE	3.6	3.0	2.6	4.2	4	4	5	4	S. Africa
IRON ORE	13.0	9.8	8.6	6.3	2	4	4	5	USSR
CRUDE STEEL	22.6	18.6	16.4	12.2	1	2	3	3	USSR
LEAD, MINE	12.3	16.3	16.0	13.1	1	1	1	3	Australia
METAL 2/	15.6	17.9	17.5	15.4	1	1	1	3	USSR
NITROGEN	29.1	25.4	20.4	15.5	1	1	1	3	USSR
PHOSPHATE ROCK, MARKETABLE	44.3	39.8	39.5	32.5	1	1	1	1	US
POTASH	16.4	11.4	8.6	6.1	4	4	5	6	USSR
SALT	29.4	25.9	23.7	20.8	1	1	1	1	US
SULFUR	26.3	22.8	21.5	20.4	1	1	1	1	US
ZINC, MINE	9.9	7.8	6.0	4.8	4	4	5	6	Canada *
METAL 2/	19.7	10.4	9.0	5.6	1	4	5	7	USSR *

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* 1984 DATA

1/ PRIMARY AND SECONDARY SMELTER PRODUCTION

2/ PRIMARY SMELTER PRODUCTION

TABLE 3. - VALUE OF NONFUEL MINERAL SHIPMENTS, MANUFACTURING AND TRADE (MILLION 1982 CONSTANT DOLLARS)[1]

	Average 1966-70	Average 1971-75	Average 1976-80	Average 1981-85
RAW MINERAL SHIPMENTS, TOTAL	22,109	23,608	27,782	21,909
METALS	7,817	8,651	9,481	6,224
NONMETALS	14,292	14,957	18,301	15,685
MANUFACTURERS SHIPMENTS, TOTAL	1,562,572	1,708,391	2,073,173	2,046,141
PROCESSED MINERAL MATERIALS, TOTAL	288,524	329,885	392,782	357,215
PRIMARY METALS	130,049	140,387	159,064	121,152
STONE, CLAY AND GLASS PRODUCTS	41,811	46,260	54,260	48,897
CHEMICALS AND ALLIED PRODUCTS[2]	116,664	143,238	179,458	187,166
EXPORTS, MINERALS AND MINERAL MATERIALS	9,414	11,740	18,367	13,708
IMPORTS	14,834	19,567	26,734	26,622
NET	(5,420)	(7,827)	(8,367)	(12,914)
GROSS NATIONAL PRODUCT	2,336,960	2,652,340	3,056,000	3,351,600
RAW MINERALS AS A % OF GNP	0.95%	0.89%	0.91%	0.65%
PROCESSED MATERIALS AS A % OF GNP	12.35%	12.44%	12.85%	10.66%
PROCESSED METALS AND NONMETALS AS A % OF GNP	7.35%	7.04%	6.98%	5.07%
CHEMICALS AS A % OF GNP	4.99%	5.40%	5.87%	5.58%
IMPORTS AS A % OF GNP	0.63%	0.74%	0.87%	0.79%

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[1] CALCULATED BY USING THE IMPLICIT PRICE DEFLATOR FOR GNP

[2] INCLUDES PLASTICS

MINERAL IMPORT DEPENDENCE

Question: How has the Bureau addressed the questions of mineral import dependence and declining competitiveness?

Answer: The Bureau is concerned about the decline in our domesic mineral industry and our growing mineral import dependence; we have a number of studies underway to better define these problems and help to reverse these trends.

For example, we are examining the role that the international financial institutions play in contributing to the competitiveness problems of our domestic industry by attempting to define the subsidy components in these loans.

We also will be looking at the overall economic comparative advantage differences between our industry and our foreign competition in order to quantify the influence that factors such as natural endowment, taxes, regulatory requirements, productivity, and exchange rates have on the competitive position of our domestic industry.

Additionally, we have increased our involvement in the regulatory formulation process, particularly with respect to those regulations dealing with environmental matters, in order to assure that the economic impacts of potential new regulations are clearly understood and that proposed compliance methods are techincally feasible.

Finally, we have recently completed a definitive examination of the extent to which substitution, improved processing practices (including recycling) and product design, domestic and foreign resources, ocean minerals, and stockpiles could reduce our vulnerability to supply disruptions in cobalt, chromium, maganese, and the platinum group metals--those minerals in which the U.S. is generally considered most likely to experience supply disruptions.

MINERAL SURVEYS

Question: Based on the mineral information collected by the Bureau over the last 20 years has the Bureau identified specific areas with the highest mineral potential for further study in FY 1987? If so, where are these areas? If not, when does the Bureau anticipate identifying these areas so they can allocate funds on the study of the most promising acreage?

Answer: In FY 1986, the Bureau is evaluating the results of its mineral surveys completed during the past 20 years. During this period, the Bureau has examined over 55 million acres of Forest Service, Bureau of Land Management, and Department of the Interior lands, of which more than 90 percent are in the lower 48 states. Approximately 800 areas covering about 45 million acres, for example, have been surveyed for the Forest Service, some of which have the potential to add significant amounts to domestic mineral supplies. A listing of the areas having the highest potential for minerals is being developed in FY 1986, and will be availalble in FY 1987 for planning of site-specific studies of these areas.

AVAILABILITY OF MINERAL DATA

Question: What is the impetus behind implementing new, and modifying existing procedures to increase public access to mineral data and information?

Answer: The Minerals Availability System (MAS) contains detailed engineering and economic data on approximately 2,400 of the largest U.S. and foreign mineral deposits for 34 minerals. This type of data is necessary for government and industry analyses of the cost-competitiveness of domestic and international mines and mineral deposits. Three studies that recommend opening MAS to the public are:

- Evaluation of Current and Future Minerals Availability Program Activities of the U.S. Bureau of Mines, Committee of Association of American State Geologists, 1983;
- A Review of the Statistical Program of the Bureau of Mines, National Research Council, 1982; and
- The Department of the Interior's Minerals Availability System, General Accounting Officer, 1978.

As the Bureau announces publication of mineral availability appraisals on the 34 minerals, public awareness has been heightened and requests for information increased. Publication of special analyses based on this data, such as tax analyses, has also generated public interest.

Question: Has there been an increase in the demand for public access?

Answer: Requests for Bureau data have increased since announcement of the minerals availability appraisal publication series. Heightened public awareness, resulting in data requests, has also followed presentations in a variety of forums including technology transfer seminars and conventions. Completion of the development phase of MAS has permitted an internal shift of resources from basic data collection and systems development to analyses and data dissemination.

Additionally, the Mineral Industry Location System (MILS), a nonproprietary data component of MAS covering approximately 200,000 mineral locations, continues to provide a unique data service to government and industry users. In 1985, the Intermountain Field Operations Center in Denver provided 110 map overlays and printouts, 47 special printouts, and more than 500 copies of mine maps.

BLM WILDERNESS AREAS

Question: How much is included in the FY 1987 request for collecting information on the mineral resources on Bureau of Land Management wilderness study areas?

Answer: The Bureau of Land Management (BLM) originally requested that the Bureau of Mines schedule approximately 0.5 million acres for mineral surveys in FY 1987. The Bureau originally included $2.5 million in the FY 1987 budget request to do the studies.

Subsequently, significant acreage was reintroduced into the wilderness planning process by the "Sierra Club vs. Watt" decision which overturned a Secretarial order to drop areas of "split-estate" conflicts and areas under 5,000 acres from wilderness consideration. Discussions with the BLM since submission of the President's budget indicate that instead of 0.5 million acres a total of 1.2 million acres will need mineral surveys by the Bureau.

MINERAL INVESTIGATIONS

Question: How do the reductions in the Minerals and Materials Research program affect the work conducted in Mineral Investigations since they are closely aligned programs?

Answer: Most work currently done in the Bureau's Alaska Field Operations Center (AFOC) Fairbanks Office is a part of the joint AFOC-Minerals and Materials Research (MMR) critical and strategic minerals program. A reduction in funding from MMR would severly impact the Fairbanks office and might result in its closure.

Question: In FY 1987 the Bureau is proposing to conduct site-specific mineral investigations on 5 sites having high probability of containing significant resources of strategic and critical minerals. From FY 1984 through FY 1986 the Bureau investigated 30 sites. What was the average cost per site in prior years? What is the estimated cost per site of investigations conducted in FY 1987?

Answer: The average cost per site for FY 1984 through FY 1986 was $60,500. Cost per site can only be averaged over a period of years because site evaluations are multiyear projects. In FY 1987, $502,000 has been requested for site specific mineral investigations activities. This includes, in addition to the 5 planned new starts, continuation of work on 8 sites begun in previous years but not yet completed.

Site specific work in Alaska generally costs significantly more than in the lower 48 States as a result of greater distances and difficult accessibilities. Helicopters are often essential to carry out the work.

WORK IN ALASKA

Question: Outline for the record the cross cutting work throughout the Bureau being done in Alaska?

Answer: The work described here is in addition to the Mining District studies and the site-specific investigations discussed previously.

A serious problem being faced by placer miners in Alaska is state and proposed EPA regulations that require, in most cases, recycling of all waters used in the gold recovery operations. However, unless more than 95 percent of the suspended solids are removed from the recycled water, the recovery operation will be adversely affected. Technology developed by the Bureau of Mines for dewatering clayey wastes from Florida phosphate operations will be tested to determine whether it will remove suspended solids from water in a form which can be stored above ground. Initial laboratory tests show the technique is capable of markedly decreasing effluent turbidity. Field tests are planned at four typical placer mines during the summer of 1986 to assess the applicability of this technology on a commerical scale. Throughout the planning phase of these efforts, frequent communication and close cooperation has been maintained between the Minerals and Materials Research (MMR) and Mineral Data Analysis (MDA) Directorates in making site selection decisions and in facilitating the set-up and operation of the test equipment.

Another area of collaboration involves transfer of MMR funds to MDA to support bulk sample gathering activities by MDA personnel. These samples are subsequently used by MMR scientists in evaluating recovery techniques that may be applicable to Alaskan resources of strategic and critical minerals. MMR also provides analytical services for samples collected in other MDA land assessment efforts on Forest Service, BLM, and Indian lands.

Under the Mineral Institutes program, the Bureau of Mines provides a research grant to the University of Alaska-Fairbanks, an affiliate of the Mine Systems Design and Ground Control Generic Center. No funds are requested for FY 1987.

MINERAL INSTITUTES

Question: What percentage of the Bureau's research contracts are with the Mineral Institutes? How has this percentage varied over the past 5 years?

Answer: The percentage of new research contract awards to the 31 institutions participating in the Mineral Institutes program over the last 5 years has been: FY 1981 - 13%, FY 1982 - 13%, FY 1983 - 14%, FY 1984 - 20%, FY 1985 - 26%. The Mineral Institute program is a grant program; consequently, awards under the Mineral Institute program are not included in the above figures.

Question: What percentage of the funding for research grants from FY 1984 through FY 1986 have been awarded to the five lead institutions?

Answer: In FY 1984, the five lead institutions received 50.4% of the research funding and in FY 1985, 44.9%. Data for fiscal year 1986 are not yet available.

Question: Do lead institutions have any noncompetitive advantages over the other Mineral Institutes in respect to having better equipment and facilities?

Answer: In general, lead institutions have more and better equipment and facilities and have more faculty and students engaged in mineral-related research than do other Mineral Institutes.

Question: Where will the funding come from in FY 1987 to monitor ongoing research projects as well as support the Advisory Committee on Mining and Mineral Research if there is no request for funding in FY 1987 for administration of the Mineral Institutes program?

Answer: A small amount of existing funding will be carried over to provide for the continued orderly administration of the program.

Question: A capability statement prepared by the Bureau on outside witness testimony states that no funding for administrative expenses would not allow for effective review of proposals and the evaluation and monitoring of ongoing research would be sharply curtailed or discontinued. Based on this statement, is the carryover funding from prior years sufficient to monitor the research funded in FY 1986 which will in some cases continue into 1988?

Answer: Yes, the carryover funding for the Mineral Institutes will provide for proper monitoring of ongoing research and for the orderly administration of the program in future fiscal years.

FINANCE AND MANAGEMENT

Question: Discuss the increase of 5 full-time equivalents over the FY 1986 level proposed in FY 1987 in Finance and Management.

Answer: The increase of 5 full-time equivalents (FTE) in Finance and Management in FY 1987 is the net result of a reduction of 11 FTE due to streamlining administrative operations and a transfer of 16 FTE from the Minerals Information program to Finance and Management (Automatic Data Processing) for the operation of the Automated Minerals Information System.

FEDERAL MANAGERS' FINANCIAL INTEGRITY ACT

Question: In November 1985, the Office of the Inspector General released a report on the conformance of the Bureau of Mines to the Federal Managers' Financial Integrity Act of 1982. In that report it was stated that the Bureau had excluded seven entities from its internal inventory. How has the Bureau corrected this deficiency?

Answer: The seven entities were reviewed for possible inclusion in the inventory in February 1986, following issuance of the Department's guidance for FY 1986, and the Office of Management and Budget (OMB) guidelines. As a result of the review, three of the entities were added to the component inventory, and the remaining four were determined to be exempt from inclusion according to the definitions provided in the OMB guidelines. The rationale behind each of the actions is listed below:

The Division of State Activities was added to the inventory because of the size of its budget and its interactions with organizations and governments within the States. It was given a LOW Risk Assessment and scheduled for review in 1988.

The Office of Equal Employment Opportunity was added to the inventory as a functional component because the adjudication process is an operational function and can be subject to review. Also, the adjudication process can have an effect on the functioning of other organizations within the Bureau. It was given a MEDIUM Risk Assessment and will be scheduled for review when the Department's Office of Equal Opportunity provides the necessary guidance.

The Office of Mineral Institutes was added to the inventory as a programmatic component. Actually, this component was already in the inventory under the name Grants and Cooperative Agreements. The Grants and Cooperative Agreements component has been removed from the inventory. The Office coordinates all grants given by the Bureau, and we do not have any Cooperative Agreements. The component received a LOW Risk Assessment and has been scheduled for review in 1988.

The Office of Technical Information, Office of Congressional Liaison, Senior Advisory Staff, and the Special Projects Staff (part of the Mineral Data Analysis program) are the four organizations that were determined to be exempt from inclusion in the inventory, in accordance with the OMB guidance.

Question: The report also states that the Bureau does not have adequate documentation for its vulnerability assessments. What steps has the Bureau taken to correct this?

Answer: Since the report was completed, the requirement for the vulnerability assessment has been eliminated. In its place is a judgemental procedure. The procedure involves the development and use of criteria to make a judgement as to the level of risk inherent in each component, and developing a Management Evaluation Plan. The Plan includes a schedule of internal control reviews to be conducted over the next three years. Documentation to support the new judgemental procedure is being developed in accordance with Departmental requirements.

Question: In 1985 the Bureau conducted Internal Control Reviews of Mining Research and Minerals and Materials Research program elements. The report concluded that "adequate internal controls were not in place nor was there a record of any quality assurance." Please respond to this allegation and how the Bureau has ameliorated these problems.

Answer: The Office of the Inspector General (OIG) based their conclusion on what they described as "minimal documentation" to describe the testing procedures followed during the review. Additionally they were concerned that "While the ICR [Internal Control Review] evaluators may have conducted thorough and complete reviews, their failure to document the process precludes reliance on them by third parties."

In order to reassure the OIG that the Bureau had a valid basis for the conclusions documented in the annual assurance statement, additional tests were performed on the components and the procedure documented, subsequent to publication of the OIG audit report.

Representative projects were selected from each component and all records relevant to the projects were examined. Mining Research selected four research projects, one from each of the four research centers under its jurisdiction. Minerals and Material Research selected six in-house research projects, one from each of the six research centers under its jurisdiction, plus one research contract. In each case, the questionnaires used in the reviews were rechecked to assure that questions relating to each event cycle had been included, the control techniques formerly identified were checked, and the effectiveness of the control techniques was assessed. In the 11 cases, all controls were in place and working as intended.

HELIUM FUND

Question: Explain the increase in the expense of the sales program. What steps is the Bureau taking to reduce those expenses so that the program operates at less of a loss?

Answer: Sales expense is expected to increase from $24,741,000 in 1986 to $29,500,000 in 1987, an increase of $4,759,000. This increase is attributable to the following factors:

1. Because of a required change in accounting procedures, the Helium Operations budget reflects an increase of $3,377,000 for freight paid on helium shipped to purchasers. Since purchasers reimburse Helium Operations for the prepaid freight changes, this is a wash transaction. There is no actual cost to the Government.

2. Interest on the net worth debt will increase by $625,000, and charges for depreciation will increase by $187,000. These are indirect cost items and do not represent any actual expenditure of funds.

3. Direct operating costs will increase by $570,000. These are costs for: other services, supplies, materials, communications, rent, personnel compensation and benefits. This $570,000 does represent an actual expenditure of funds. However, it amounts to only a 4.8% increase in direct operating expense.

There is a positive net cash flow, as evidenced by a $4,000,000 repayment made on the net worth debt in 1985, and $2,000,000 already repaid in 1986. Another $2,000,000 repayment is scheduled for 1987.

Helium Operations is continuing a series of capital projects begun several years ago to reduce expenses. These projects include consolidation of facilities at the Exell Helium Plant to reduce overhead and supervision costs, installation of modern, more energy efficient equipment to reduce fuel and maintenance costs on 40-year-old equipment, and installation of a new electrical generation and distribution system to reduce power costs. In-line processing units are being added to increase output without increasing input, thereby reducing unit costs and increasing efficiency and productivity of personnel and equipment. These changes have and will continue to hold down funded operating expense; however, unfunded expense will continue to increase because of compound interest (e.g., interest increased the net worth debt by more than $8.0 million in FY-1987).

Question: Has the Bureau proposed legislation which will relieve the debt owed the Treasury? If so, what is the status of that legislation?

Answer: A proposed bill to amend the Helium Act of 1960 was forwarded by the Department to the Office of Management and Budget on December 10, 1985, for consideration and review.

CONTRIBUTED FUNDS

Question: Explain how the Bureau has used contributed funds to augment research and investigations in FY 1985 and FY 1986.

Answer: Funds contributed by States, local governments, and private companies are used to conduct research and investigations in such areas as conservation, evaluation, and development of mineral resources and the health and safety of miners. Funds are contributed in support of memoranda of agreement negotiated between the contributor and the Bureau of Mines. Work in pursuit of these memoranda of agreement is conducted by most of the Bureau's research centers. During FY 1985, there were over 30 agreements in force. During the first half of FY 1986, 26 contributed fund projects have been funded. Of these, ten are new projects and sixteen are continuations of projects funded in FY 1985.

Major contributors included:

The Commonwealth of Pennsylvania for a multi-year effort to demonstrate the Bureau's Foam Injection Fume Extraction (FIFE) system for fighting an abandoned mine fire in Large, Pennsylvania.

The Colorado Mining Association for four separate efforts in the area of mine health and safety, including efforts on control of diesel engine exhausts and fire hazards in oil shale mines.

The Gas Research Institute for continuing efforts under a long-standing agreement dealing with methane drainage.

A consortium of industrial contributors supporting Bureau research in the use of low BTU coal gas for the induration of iron ore pellets.

The Florida Institute for Phosphate Research for studies in wetland reclamation and dealing with phosphate mining wastes.

Several explosives manufacturers for testing their products to assure conformity with MSHA or other Federal standards and regulations.

The Sulfur Institute for further work on Bureau-developed sulfur concrete.

Several metals manufacturers for research and technology transfer related to titanium production.

The United Nations and the General Agreement on Tariffs and Trade for the services of Bureau employees detailed to support their programs.

Question: How does the Bureau propose to use these funds in FY 1987?

Answer: The Bureau will continue to accept contributed funds to finance projects of mutual interest to the Bureau and the contributor. In FY 1987, it is expected that contributed funds will be received and used in research on abandoned mine fires, methane extraction, diesel exhausts, explosives, and other areas of mutual interest.

QUESTIONS SUBMITTED BY CONGRESSMAN RALPH REGULA

Question : Your budget justification (pg. 18) talks about how research on improved dust control technologies will minimize future cases of respiratory diseases and reduce future compensation costs. Have you done any analysis that shows how research done by the Bureau of Mines in this area has in fact reduced the incidence of black lung?

Answer : Although it is difficult to establish a direct correlation between the Bureau's respirable dust research and the incidence of black lung, indirect measures indicate that application of Bureau research results is reducing the workers' exposure to respirable dust and, therefore should reduce the incidence of black lung in the future. For example, in longwall mining operations the compliance rate with the 2 milligram/cubic meter respirable dust standard has increased from about 30% to 85% over the past 5 years, due in major part to industry adoption of Bureau developed technology such as the "shearer clearer". This device is now installed on over 50% of all double-drum longwall shearer faces in the U.S. Industry use of this and other research products is leading to a safer, more healthful workplace for the mining workforce.

Question : I notice that your budget proposes to increase your in-house work on respirable dust while discontinuing grant funding of research at Penn State and West Virginia University. Why do you consider the Agency research more important than the university work?

Answer: The Bureau considers all research important. However, the thrust of the academic community is to train students and perform fundamental studies during the educational process. This is substantially different from the Bureau which utilizes many scientific disciplines to perform fundamental studies; find immediate solutions to industry problems; respond to the changing problems identified by industry, MSHA, and labor unions; and perform research with continuity beyond the 4-year academic cycle. We believe the requirements of this broader Bureau role to be of higher priority.

Question : As you may know, we have provided funding in this subcommittee for several years for the USGS to acquire side-looking airborne radar (SLAR) data. I understand that this data could be useful in preventing mine disasters by identifying potential hazardous geologic features that might cause roof falls in underground coal mines. I notice that your budget (pg. 26) says you have done geologic studies and mapping in both eastern and western coalfields to identify such hazards. Have you used the SLAR data? Do you think it could have some useful applications in your work?

Answer: The geologic studies and mapping referred to in our budget have been conducted in underground coal mines for direct identification and delineation of hazardous roof features. Like the Landsat data, the SLAR data provides information about the geologic features on the surface, but not below the surface. To make use of the Landsat or SLAR data for coal mine roof control purpose, a methodology for correlating the surface features represented by the remote sensing data and the predominant roof features underground must be developed. Since the late 1970s, the Bureau in cooperation with the USGS, has been engaged in developing and verifying a computerized methodology for mine ground hazard evaluation using the Landsat data. Similar correlation methodology for the SLAR data is yet to be developed. Therefore, the SLAR data has not been used in the Bureau's efforts in coal mine geology studies.

The Bureau recognizes the potential usefulness of the SLAR data in predicting and delineating high-risk geologic regions for coal mine roof control planning, if it is used in conjunction with other remote sensing data, such as the Landsat data and the high altitude aerial photographs, and geologic and geophysical information obtainable from underground surveys. This potential is being explored by Bureau researchers.

Question : I notice you mention using Landsat data. Would SLAR be more useful?

Answer: Under the current research project on application of computerized remote sensing techniques for ground hazard assessment in underground coal mines, we plan to obtain available SLAR data from USGS for comparison with the Landsat data. The SLAR data is not available for the Price, Utah, area where we have been conducting most of our remote sensing research for coal mine ground control. However, SLAR data is available and will be obtained for use in our research for the next test site in Alabama during the second half of FY 1986. Whether SLAR would be more useful compared to Landsat is still to be determined; we hope we will get an answer to this question by the end of FY 1987.

Department of the Interior

Detail Statement
FY 1986 Gramm-Rudman-Hollings Sequestrations
(P.L. 99-177)

BUREAU OF MINES

Appropriation: Mines and Minerals

(Dollars in thousands)

Activity/Subactivity/ Program Element	FY 1986 Enacted to Date	P.L. 99-177 Reduction	FY 1986 Adjusted Approp.	Impact
Health and Safety Technology	33,602	(1,430)	32,172	
Health Engineering Technology	7,471	(318)	7,153	Research in all program areas will be stretched out resulting in delays in obtaining research results. Inhouse efforts will be delayed rather than cancelled. Funds provided to support research at the Respirable Dust Generic Center will be reduced by the same percentage applicable to the total program. Funding of efforts added by the Congress in the areas of ground control, industrial hazards, fire and explosion prevention, methane control, and postdisaster will be reduced by the same percentage. Reductions will primarily affect extramural contract research and major equipment purchases.
Respirable Dust	6,283	(267)	6,016	
Noise Control	1,188	(51)	1,137	
Safety Hazard Reduction	26,131	(1,112)	25,019	
Ground Control	8,769	(373)	8,396	
Industrial Hazards	7,326	(312)	7,014	
Fire and Explosion Prevention	4,587	(196)	4,391	
Methane Control	994	(42)	952	
Postdisaster	994	(42)	952	
Explosives	1,437	(61)	1,376	
Systems Engineering	2,024	(86)	1,938	

Appropriation: Mines and Minerals (Cont.)

Activity/Subactivity/ Program Element	(Dollars in thousands) FY 1986 Enacted to Date	P.L. 99-177 Reduction	FY 1986 Adjusted Approp.	Impact
Mining Technology	13,145	(560)	12,585	
Advanced Mining Technology	10,106	(430)	9,676	Research in all program areas will be stretched out, resulting in delays in obtaining research results. Reductions will primarily affect extramural contract research and equipment purchases. Inhouse efforts will be delayed rather than cancelled. Funding of efforts added by the Congress in the areas of in situ mining, proof-of-concept validation, acid mine drainage, and subsidence control will be reduced by the same percentage applicable to the total program.
Metal/nonmetal Mining	5,231	(223)	5,008	
Coal Mining	4,875	(207)	4,668	
Resource Conservation Technology	3,039	(130)	2,909	
Controlling Mine Wastes	1,621	(69)	1,552	
Conserving Land Resources	1,418	(61)	1,357	
Minerals and Materials Research	32,515	(1,384)	31,131	
Extractive Metallurgy Technology	17,284	(736)	16,548	Research in all program areas will be stretched out, resulting in delays in obtaining research results. Reductions will affect both inhouse and contract research, resulting in delays in acquiring supplies, materials, and equipment. Contract funding will also be reduced. Funding to support efforts at the Idaho National Engineering Laboratory will be reduced by the same percentage applicable to the total program.
Mineral Resources	7,738	(330)	7,408	
Minerals Technology	9,546	(406)	9,140	
Materials and Recycling Technology	15,231	(648)	14,583	
Materials	7,875	(335)	7,540	
Recycling	7,356	(313)	7,043	
Subtotal, Minerals Research	79,262	(3,374)	75,888	

Appropriation: Mines and Minerals (Cont.)

Activity/Subactivity/ Program Element	(Dollars in thousands) FY 1986 Enacted to Date	P.L. 99-177 Reduction	FY 1986 Adjusted Approp.	Impact
Minerals Information	10,554	(449)	10,105	
Data Collection and Dissemination	8,259	(351)	7,908	Reduction in depth of coverage of some countries and commodities, and in the publication of summary statistics.
Minerals Information Systems	2,295	(98)	2,197	
Mineral Data Analysis	18,431	(785)	17,646	
Policy Analysis	10,912	(465)	10,447	
Technical & Economic Policy Analysis	3,508	(149)	3,359	Delays comparative cost study for copper by six months.
State Activities	1,398	(60)	1,338	Reduces equipment, supplies, and materials purchases.
Minerals Availability Systems	6,006	(256)	5,750	Contract for collection of data to update Minerals Availability System will not be let.
Land Assessments	7,519	(320)	7,199	
Mineral Surveys on Public Lands	4,906	(209)	4,697	Efforts to automate Mineral Land Assessment data will be reduced.
Mineral Investigations	2,613	(111)	2,502	Delays completion of Juneau Mining District Study by one year and completion of an analysis of land status in Alaska and western States by six months.
Subtotal, Minerals Information and Analysis	28,985	(1,234)	27,751	

Appropriation: Mines and Minerals (Cont.)

	(Dollars in thousands)			
Activity/Subactivity/ Program Element	FY 1986 Enacted to Date	P.L. 99-177 Reduction	FY 1986 Adjusted Approp.	Impact
Mineral Institutes	7,950	(338)	7,612	
Allotment Grants	4,621	(196)	4,425	Reduces allotment grant from $147,000 to $142,000 per institute.
Research Grants	2,981	(127)	2,854	Reduced funding for research grants.
Administration	348	(15)	333	Reduced funding for program administration.
General Administration	18,607	(792)	17,815	
Executive Direction	1,787	(76)	1,711	In the General Administration activity, non-essential travel and training has been cut out for the balance of the fiscal year. The purchase of supplies is being kept to the bare minimum. Discretionary equipment purchases have been cancelled or postponed. Printing costs have been reduced somewhat. Through tighter management, overtime is being reduced.
Office of the Director	308	(13)	295	
Senior Advisory Staff	388	(17)	371	
Congressional Liaison	183	(8)	175	
Technical Information	517	(22)	495	
Equal Employment Opportunity	391	(17)	374	
Finance and Management	16,820	(716)	16,104	
AD - Finance and Management	315	(13)	302	
Budget	285	(12)	273	
Personnel	1,405	(60)	1,345	
Finance	1,487	(63)	1,424	
Management Analysis	364	(15)	349	
Automatic Data Processing	1,757	(75)	1,682	
Publication	1,719	(73)	1,646	
Procurement	1,713	(73)	1,640	
Property	2,674	(114)	2,560	
Safety Management	133	(6)	127	
General Services	4,968	(211)	4,757	
Carryover, Deficit Reduction Act Savings	(1,355)	0	(1,355)	
Total Mines and Minerals	133,449	(5,738)	127,711	

Department of the Interior
Bureau of Mines
Mines and Minerals

Object Classification - Gramm-Rudman Sequestration

Identification code 14-0959-0-1-306		1985 act.	1986 est.	1987 est.
	BUREAU OF MINES			
	Direct obligations:			
	Personnel compensation:			
11.101	Full-time permanent			
11.301	Other than full-time permanent			
11.501	Other personnel compensation			
11.901	Total personnel compensation			
12.101	Personnel benefits: Civilian			
13.010	Benefits for former personnel			
21.001	Travel & transportation of persons ..			
22.001	Transportation of things		(81)	
23.101	Standard level user charges..........			
23.201	Communications, utilities, and other rent		(557)	
24.001	Printing and reproduction		(88)	
25.001	Other services.......................		(3,631)	
26.001	Supplies and materials		(582)	
31.001	Equipment		(461)	
32.001	Lands and structures.................		0	
41.001	Grants, subsidies & contributions		(338)	
42.001	Insurance claims and indemnities			
99.001	Total, direct obligations		(5,738)	

WEDNESDAY, MARCH 5, 1986.

OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT

WITNESSES

JED D. CHRISTENSEN, ACTING DIRECTOR

ROBERT E. BOLDT, DEPUTY DIRECTOR, ADMINISTRATION AND FINANCE

JAMES W. WORKMAN, DEPUTY DIRECTOR, OPERATIONS AND TECHNICAL SERVICES

ANTHONY L. ITTEILAG, DIRECTOR, OFFICE OF BUDGET, DEPARTMENT OF THE INTERIOR

Mr. YATES. Show the hearing as coming to order. This is the hearing for fiscal year 1987 on the budget for the Office of Surface Mining Reclamation and Enforcement and appearing in support of the budget is Mr. Christensen, the Acting Director, Mr. Boldt, the Deputy Director, Mr. Workman, the Deputy Director for Operations and Technical Services and Mr. Itteilag, the Budget Officer. Mr. Itteilag, we missed you yesterday. Shouldn't your work include the National Endowment for the Arts?

Mr. ITTEILAG. Not that I am aware of. I would be happy to attend if you desire.

Mr. YATES. I thought it would add some interest to your work. Mr. Christensen, you have a statement that may go into the record at this point.

[The statement of Mr. Christensen follows:]

Statement of Jed D. Christensen
Director
Office of Surface Mining Reclamation and Enforcement

House Committee on Appropriations
Subcommittee on Interior and Related Agencies
March 5, 1986

Mr. Chairman and Distinguished Members of the Committee:

I am pleased to appear before you to discuss the Fiscal Year 1987 budget request for the Office of Surface Mining Reclamation and Enforcement (OSMRE).

I was appointed as OSMRE's Acting Director on April 25, 1985. At that time, I was well aware of the widely publicized problems that had eroded Congressional and public confidence in our programs. I immediately established an open and purposeful approach to define goals, manage the agency's efforts to meet these goals, and frankly assess our progress in doing so. We are making progress in solving our problems, and I believe that firm direction and well formulated goals with realistic time frames for completion will enable us to continue this progress.

Our Fiscal Year 1987 budget proposal will lead to further improvement at OSMRE. Our 1987 proposal of $291.4 million is essentially identical to the level enacted by Congress last December. Despite the Department's budgetary constraints, OSMRE's budget includes an increase of 22 percent for State Regulatory Program Grants, demonstrating our commitment to State primacy. The budget also includes a major initiative to expand training opportunities for State personnel which will improve the States' abilities to carry out primacy. In addition, OSMRE is requesting additional resources to enhance assessments and collections systems to enforce SMCRA, and to upgrade field programs that provide technical assistance to States. These initiatives, by themselves, will not guarantee solutions to the problems faced by OSMRE. However, they demonstrate our ability to set priorities and to make the difficult choices required for effective management and implementation of our responsibilities.

The following is a brief summary of the highlights of our request.

The Regulation and Technology appropriation is proposed at $100.9 million, an increase of $15.2 million or 17.8 percent from the Fiscal Year 1987 base.

We have proposed $45.1 million for State Regulatory Program Grants, an increase of $8.1 million. State primacy is the basis for a sound regulatory effort. With this increase and the matching funds that States provide, program improvements identified through OSMRE's program evaluations and in consultation with the States will be carried out. States will also be able to implement actions required to participate in OSMRE's Nationwide Applicant Violator System in accordance with Congress' desire to improve the enforcement of SMCRA.

Regulatory Program Operations are proposed at $17.6 million, a decrease of $1.4 million from the base. The decrease reflects the completion of our direct Federal regulatory operations in Oklahoma; non-recurring costs related to our two-acre inspection and enforcement efforts in Kentucky and Virginia; and a technical correction associated with the provisions by which OSMRE carries out reclamation when performance bonds are forfeited. We are encouraged by Oklahoma's progress toward resuming full regulatory authority, and are now phasing down our operations in the State. If progress continues as anticipated, Oklahoma should fully achieve the program goals it agreed to with OSMRE, and full regulatory authority will be in place by October 1, 1986. With respect to the two-acre enforcement program, OSMRE will continue its efforts to address this problem throughout Fiscal Year 1987; however, one-time costs associated with the program's commencement allows for a savings in 1987. All other functions of this subactivity, including the critical areas of State assistance and evaluation, and OSMRE's inspection program, will be maintained at the 1986 level.

Technical Services, Training, and Research is proposed at $15.9 million, an increase of $2.75 million. The increase will be used for an ambitious and comprehensive initiative to expand training opportunities for State and Federal personnel. This increased technical assistance will complement the increased financial assistance that we have proposed for State regulatory programs. OSMRE will work with the States, industry, and environmental organizations to develop practical and relevant training that will improve regulatory program performance. OSMRE personnel will also be included in these training efforts, so that our personnel possess the knowledge required to assist the States and evaluate their performance. All other functions of this subactivity, including technical advice, research, and mine plan review, will be maintained at the 1986 level.

Assessments and Collections is proposed at $7.9 million, an increase of $0.7 million. The increase will enable us to continue our progress in implementing OSMRE's Applicant Violator System under which those with outstanding violations, unpaid civil penalties, or unpaid AML fees, can be denied new mining permits until they meet their obligations under the Act. Development of the initial Applicant Violator System has already been funded so that the system can be operational by February 1, 1987. The increase will allow us to expand the system's data base in accordance with Congressional mandates, and to meet the increased costs that will occur as States use the system on a regular basis. Implementation and enhancement of the system will enable us to take strong action against those who have already violated SMCRA, and it will deter the likelihood of future violations. We will maintain other functions in this subactivity at the 1986 level.

The General Administration request is divided between OSMRE's two appropriations. The Executive Direction subactivity in this appropriation includes a $100,000 increase for carrying out negotiated rulemaking efforts. A major facet of my commitment to a frank and open management process is the rulemaking area, which has long been controversial at OSMRE. The use of negotiated rulemaking, where appropriate, provides an opportunity for us to work with the various parties concerned with SMCRA's implementation toward a consensus that will achieve fair and effective regulation, and decrease the probability of costly and time consuming litigation.

Administrative Support is proposed at $6.3 million, an increase of $2.7 million. The increase will support efforts to develop improved management information systems. These systems affect all OSMRE activities, and are especially crucial to improve enforcement and fee collection operations.

OSMRE now maintains a variety of management information systems associated with these activities. We propose to develop an integrated computer support system that will provide us and the States with a common data base for improved technical services and data sharing. The increase will support our efforts to develop an effective system for implementation over a multi-year period, and assure a purposeful, cost-effective approach to long term systems planning.

General Services is proposed at $6.3 million, an increase of $2.2 million. We are proposing an agencywide increase of $3.0 million, of which $2.2 million is included in this appropriation, to carry out an initiative to decentralize certain program and administrative functions from Headquarters to the Field. This initiative will provide OSMRE with a management framework that enables us to do our job better. Program operations and personnel will be relocated to provide more accessible services to State programs, thus complementing our proposals for increased regulatory grant assistance and training. Overall agency management and policy development functions will remain at Headquarters. We are now assessing which functions to relocate, and the timing and needs associated with relocation so as to accomplish it with minimal disruption.

The Abandoned Mine Reclamation Fund appropriation is proposed at $190.5 million, a decrease of $15.7 million or 7.6 percent from the Fiscal Year 1987 base.

State Reclamation Program Grants are proposed at $150.6 million, a decrease of $5.6 million. These grants provide the capacity to remedy environmental damage associated with sites abandoned prior to SMCRA. In 1986, Congress reduced the appropriation for reclamation grants, largely because the States' difficulties in obligating the amounts enacted in prior years had led to a high level of unobligated funds. OSMRE and the States have made reduction of these unobligated balances a priority, and I am pleased to report that the States have made some progress in this regard. The level of unobligated funds, however, remains very high; as of January 1, 1986, $345.5 million in construction grant funding was unobligated by the States. Most of this amount represents grants that will still be active in 1987, indicating that States require additional time to reduce the backlog of funding. The proposed level for 1987 represents only a 3.6 percent decrease, and is in fact a slight increase from the level available after the Gramm-Rudman-Hollings reductions. The 1987 proposal still provides full administrative support for States and allows them to initiate over $100 million in new construction projects.

Fee Compliance is proposed at $3.5 million, an increase of $0.7 million. Fee compliance is the counterpart to OSMRE's enforcement efforts in the regulatory program. The ability to collect abandoned mine land reclamation fees in a timely and effective manner is essential to maintain the credibility of the enforcement effort. The increase will augment program staffing to carry out OSMRE's national audit priorities, which target areas with the highest potential for fee collection. In addition, these resources will be used to provide coordination between the fee compliance effort and enforcement activities related to the Applicant Violator System. The productivity from these enhanced operations will enable an increase in fee collections that significantly exceeds the cost of the improvements.

Reclamation Program Operations will be maintained at the base level of $30.0 million. This subactivity includes the critical activities of assisting States to carry out reclamation programs; Federal emergency projects; projects on Tribal lands and in non-primacy States which are carried out by OSMRE; and OSMRE's reclamation research program. The maintenance of these programs will help ensure stability in these important areas.

The Rural Abandoned Mine Program (RAMP) is proposed at $0.8 million, a decrease of $8.6 million. Our budget proposal clearly indicates a willingness to commit resources to critical areas; in order to do so, we must be willing to identify lower priority areas and make the necessary choices. We believe that reliance on the States to carry out reclamation operations is appropriate. State reclamation programs are now in place and are able to carry out a wide variety of reclamation activities, including projects such as those funded under RAMP. It is only proper that RAMP-type projects should compete for funding based on State-determined priorities, and the States have adequate funds to accomplish such projects if they choose to do so.

No new budget authority is being requested for Small Operator Assistance Payments because funds available from prior years will be sufficient to support this program in 1987.

As I noted earlier, the General Administration request is divided between our two appropriations. In the AML appropriation, the Executive Direction and Administrative Support subactivities are being maintained at the 1986 level. The General Services request includes an increase of $0.8 million that represents the share of the decentralization initiative which is assigned to this appropriation.

At this time I should remind you that I have compared our proposal to the level enacted by Congress for Fiscal Year 1986, prior to the reductions since mandated by the Gramm-Rudman-Hollings legislation. Those reductions total $12.5 million agency wide, including $1.6 million for regulatory grants, $6.7 million for reclamation grants, and $4.2 million for OSMRE operating programs. The 1987 proposal thus represents a further increase from this level.

In summary, I am encouraged by the progress we are making to improve OSMRE's ability to carry out its mission, and I believe that the 1987 budget demonstrates our commitment to continue this progress by supporting the States, enhancing our enforcement operations, and establishing a more effective organizational framework. We are working to solve the many problems that have hampered the agency since its creation in 1977, and a sense of purpose and direction has been established which will enable us to achieve results. I want you to know that I am committed to a frank and open management process to assure continued improvement. In this regard, I would appreciate your continued participation to help establish regulatory stability and consistency. Through communication and hard work, we can achieve a solid record for enforcement and reclamation.

I would be pleased to answer any questions at this time.

Jed D. Christensen

Acting Director

Office of Surface Mining Reclamation and Enforcement

Jed D. Christensen, was selected in April 1985 as the acting Director of Interior's Office of Surface Mining Reclamation and Enforcement (OSMRE) by Secretary of the Interior Donald Hodel. At the time of his selection, Christensen was Deputy Assistant Secretary of the Interior for Water and Science. He joined the Interior Department in 1981 as staff assistant to the Commissioner in the Bureau of Reclamation.

Christensen's administrative experience in complex technical and policy areas led to his assignment to take on the management responsibility for OSMRE. Secretary Hodel pointed out that Christensen played an important role in improving management in three of the Interior Department's major components--the Bureau of Reclamation, the Bureau of Mines, and the U.S. Geological Survey.

OSMRE was created under the 1977 Surface Mining Control and Reclamation Act to assure that coal mining would be done in an environmentally sound manner; that lands mined for coal would be properly reclaimed; and that land and water resources adversely affected by past unregulated mining practices would be reclaimed and restored.

Christensen brought considerable experience in city and county management with him to Washington. He was Director of Finance and Administrative Services for the City of Provo, Utah, where he coordinated a multi-faceted finance office and acted as City Treasurer.

He also was Budget Officer for Clark County, Nevada; Senior Management Analyst in the City Manager's Office, City of Santa Ana, California; and Program Analyst with the Budget and Research Department of the City of Phoenix, Arizona.

Christensen studied at the American University of Beirut, Lebanon in 1974. He earned a bachelor's degree in Pyschology from Brigham Young University, Provo, Utah. He received a master's degree in Public Administration from Arizona State University at Tempe, Arizona.

Robert E. Boldt

Deputy Direcor, Administration & Finance

Office of Surface Mining Reclamation and Enforcement

Mr. Boldt has held the newly created position of Deputy Director for Administration and Finance since October 1985. Prior to assuming this position, he served for over three years as Associate Director for Royalty Management in the Department's Minerals Management Service.

From December 1978 to October 1981, Mr. Boldt served as Director of Field Operations for Office of Special Counsel in the Department of Energy. In this position he was responsible for managing the the audit of the 35 largest oil companies in the administration of the oil price regulations under the provisions of EPAA of 1978.

From 1974 to 1978 Mr. Boldt was the Deputy Regional Administrator for the Federal Energy Administration, San Francisco, California.

From 1960 to 1974 Mr. Boldt was with the Department of Housing and Urban Development holding positions both in Washington, DC and San Francisco.

Mr. Boldt is a native of San Francisco, California. He resides in Alexandria, Virginia.

JAMES W. WORKMAN

James W. Workman is the Deputy Director for Operations and Technical Services for the Interior Department's Office of Surface Mining Reclamation and Enforcement (OSMRE). In that post, which he assumed in October 1985, Workman manages OSMRE's regulatory and technical operations and coordinates the activities of the agency's field offices and technical centers.

Before joining OSMRE, Workman spent 10 years with the U.S. Department of Energy and its predecessor, the Energy Research and Development Administration.

From 1981 to 1985, Workman was Director, Office of Fuels Programs, in the Department of Energy's Economic Regulatory Administration. In that position, he oversaw the agency's various coal conversion programs and energy trade regulatory activities, including natural gas import and export licensing, electricity import and export permitting, and oil import licensing.

From 1979 to 1981, Workman was Director of the Powerplants Conversion Division of the Economic Regulatory Administration, where he was responsible for coal conversion programs relating to electric utilities. He was also active in the development of the Office of Energy Emergencies within the Energy Department. From 1977 to 1979, he served as Deputy Director of Power Supply and Reliability in the new Department of Energy's Office of Utility Systems.

From 1975 to 1977, Workman was with the Energy Research and Development Administration (ERDA), where he managed electric power research and development programs.

Workman began his Federal career in 1961, at the Naval Ship Research and Development Center, where he served for 10 years as an operations research analyst and a senior electronics engineer.

In 1971, he joined the U.S. Department of the Interior, serving as Staff Assistant to the Assistant Secretary for Water and Power until he accepted the position with ERDA in 1975.

Workman has a Bachelor of Science degree in Electrical Engineering from Virginia Polytechnic Institute and State University, Blacksburg, Virginia, and a Master's degree in Administration from George Washington University, Washington, D.C.

Mr. CHRISTENSEN. Thank you, Mr. Chairman.

Mr. YATES. Your statement may be followed by biographies for Mr. Christensen, Mr. Boldt, and Mr. Workman. All right. Now, we will hear you, Mr. Christensen.

Mr. CHRISTENSEN. Thank you. I would like to submit my statement for the record and highlight it.

Mr. YATES. It is already part of the record.

Mr. CHRISTENSEN. Thank you.

There are several people I would like to introduce who will be participating in the hearing. Behind me we have Brent Wahlquist, who is here in the Washington office.

Right directly behind me is Mr. Culp who has been in charge of budget and personnel matters for years. Carl Close, who was with us last year who is now presently located in Pittsburgh as our assistant director of operations in the East. Ray Lowrie, who I don't know if you have met, who is the assistant director in our western office, and Bob Ewing who is assistant director for finance and accounting. They will be participating in the hearing with us today.

I would like to highlight some of the items in our budget that I am sure we will talk about more today.

Mr. YATES. Do you have enough money in your budget to do what you have to do?

Mr. CHRISTENSEN. I am sure we do.

Mr. YATES. Okay. You may proceed.

Mr. CHRISTENSEN. Thank you.

I am sure we will talk more about that. One of the areas that we are particularly happy about in the budget is an increase in state regulatory grants of $8.1 million. There are several reasons for this. One is we believe that there are program improvements that the states have made which are going to cost more money, and they actually have not had an increase in their budgets for about three years. They need to catch up with inflation and take care of program improvements based on regulatory changes or program amendments. They will also need support to participate in the applicant violator system.

There is a slight decrease in the regulatory program operations subactivity because Oklahoma will regain full regulatory authority, so those funds will not be needed in 1987.

Mr. YATES. Did you take any primacy away?

Mr. CHRISTENSEN. Actually we didn't take primacy per se away. We took part of the regulatory function from them so they could concentrate more on the permitting area. Now we have worked out a schedule for them to resume regulation of the sites as we go through the new permits.

In general administration, we have asked for an increase of $2.4 million for long-term computer development which we will be glad to talk about later. In the AML appropriation we have had a lot of discussions with the states about $150 million figure for abandoned mine land grants that will be distributed to them. We believe that through 1986 and 1987 a fairly level program is appropriate. We are encouraging the states and working with them to get their obligation rates on construction projects up so that we can justify a higher appropriation in the future.

We are assuming that will be appropriate by 1988. By then states will be ready to expend more funds.

In another area, we have asked for the same budget for emergency projects that was put in by this committee last year, $15.8 million. We feel that is sufficient under our new emergency project guidelines.

An area that is of some controversy is the decrease for RAMP. We would prefer, in a time of tight money, to work on high priority one and two projects instead of funding RAMP. The states may at any time contract with the SCS to do projects if that is their priority.

In summary, we believe we are well on our way to resolving many of our problems at OSM. We believe the 1987 budget helps target many of our major needs and we ask for the committee's guidance and understanding in these areas.

Mr. **Yates**. Well, that is a good statement. Mr. Murtha would like to ask a question.

PENNSYLVANIA RECLAMATION PROGRAM GRANTS

Mr. **Murtha**. Yes. I would like to ask about this abandoned mine land fund. We continually have a discrepancy with Pennsylvania, what they consider unobligated funds, and what we consider, here at the Federal level, unobligated funds. I have the testimony from Dr. Benedictus, who is the Secretary of the Department of Environmental Resources, and he comes up every year and he gives us one figure and you disagree and then we try to resolve the issue but it is always towards the end of the year, and subsequently, we run into a problem. We have time constraints and we never do seem to get it resolved.

Now, you talk as if you are communicating with all the states. In your statement, it sounded like you are telling them to get their unobligated balances down. Why would there be a discrepancy in how you interpret unobligated balances.

Mr. **Christensen**. Partly, with Pennsylvania, it comes down to Centralia. They don't like us to factor in the $40 million for Centralia when we talk about obligation rates. If you take Centralia out, their obligation rate is better than when you include that in. So that is part of the problem.

Mr. **Murtha**. Isn't it legitimate Centralia should not be counted in? The reason I ask that question that is an entirely different problem in obligating that money. They have to solve a substantially different problem in Centralia than they do in the rest of the state. Isn't that accurate?

Mr. **Christensen**. I believe you are accurate, except that it is money out of the abandoned mine land fund that is for the state of Pennsylvania to obligate, so that is part of their total amount.

Mr. **Murtha**. I understand that. You are not suggesting they spend it foolishly. Obviously, we want to spend it wisely. This program, because it is so different—this has been going on for 20 years and they now have the money to do it and it was worked out between Secretary Watt, when he was here, Thornburgh's office, Dr. Benedictus, Joe McDade, and myself and we got the whole thing worked out and now it is hurting us because they can't obligate the funds because of the difference I have with this one particular problem.

Have you sat down with these folks and talked to them about seeing if we can't come up with some solution to getting the money to them? Because you know, he says here very clearly there is just not enough money being obligated every year and, consequently, they have such a backlog of projects, according to him, that they can't look ahead at all. Have you sat down with him in the last year and tried to resolve this thing?

Mr. CHRISTENSEN. Yes, sir, I have. We have had numerous meetings with Mr. DeBenedictus and his staff. I believe that the Centralia problem is going to resolve itself fairly quickly in the next year, when the bulk of the funds are going to be used up as people move out of Centralia.

The other concern he suggests he has is with the actual obligating of funds. He has a good program now and should be able to obligate the remaining funding very quickly. I believe that Pennsylvania is going to be one of the states that will have their obligation rate up where it should be.

Mr. MURTHA. I wish you would meet with Pennsylvania and Ohio, because every year we have this problem at the end of the year, and Ralph and I are up here and we are trying to get the maximum amount of money, yet these states haven't obligated the funds.

So I wish you would try to give us something that we can give them the money which is paid by the coal operators, obviously, and distributed by us, but really for this purpose, so we get the maximum amount of money out to them.

The thing I have said, and I think you agree, is there is a lot of equipment sitting around and now is the time to get it done because it is the cheapest possible time. The bids are much lower than we anticipated, so we are getting a lot more work done for the money we have available. So I would appreciate it if you would, when this budget comes up, be able to have this thing resolved. We don't have them saying one thing and you saying something else and then we have a heck of a time when we go over to the conference on this particular issue.

Mr. CHRISTENSEN. I agree, Congressman.

Mr. MURTHA. Thank you.

USE OF SECTION 102

Mr. YATES. Mr. Christensen, you refer to the transfer of the $11 million for state reclamation program grants. Now has that money been replaced?

Mr. CHRISTENSEN. If I could ask Mr. Itteilag to respond to that question.

Mr. YATES. Mr. Itteilag, as I understand it, if it hasn't been replaced, it is a violation of the law.

Mr. ITTEILAG. I don't believe I agree with that, Mr. Chairman.

Mr. YATES. Well, let's look at the law. Let's see what the law says.

> Section 102. The Secretary may authorize the expenditure or transfer of any no year appropriation in this title, in addition to the amounts included in the budget

programs of the several agencies, for the suppression or emergency prevention of forest or range fires on or threatening lands under jurisdiction of the Department of the Interior; for the emergency rehabilitation of burned-over lands under its jurisdiction; for emergency actions related to potential or actual earthquakes, floods or volcanoes; for emergency reclamation projects under section 410 of Public Law 95-87; and shall transfer, from any no year funds available to the Office of Surface Mining Reclamation and Enforcement, such funds as may be necessary to permit assumption of regulatory authority in the event a primacy state is not carrying out the regulatory provisions of the Surface Mining Act: *Provided*, That appropriations made in this title for fire suppression purposes shall be available for the payment of obligations incurred during the preceding fiscal year, and for reimbursement to other Federal agencies for destruction of vehicles, aircraft, or other equipment in connection with their use for fire suppression purposes, such reimbursement to be credited to appropriations currently available at the time of receipt thereof: *Provided further*, That funds transferred pursuant to this section must be replenished by a supplemental appropriation which must be requested as promptly as possible.

What do you do about that proviso?

Mr. ITTEILAG. Mr. Chairman, what I would point to is the very first part of Section 102.

Mr. YATES. I am pointing to the proviso. The proviso is how do you get around that very specific provision?

Mr. ITTEILAG. Mr. Chairman, there would be no question if we were talking about a transfer between appropriation accounts, a supplemental appropriation would be required.

Mr. YATES. Was this a reprogramming?

Mr. ITTEILAG. No, Mr. Chairman. It was what I would call——

Mr. YATES. Was it appropriation by the Executive Branch?

Mr. ITTEILAG. No. It was an expenditure within an existing appropriation. It was an authorization of an expenditure as cited in the first line of Section 102. The Secretary may authorize the expenditure or transfer. In this case it wasn't a transfer. In this case it was authorization of an expenditure within the same appropriation account.

REPROGRAMMING PROCESS

Mr. YATES. Well, if it is an authorization of an expenditure, why isn't it a reprogramming?

Mr. ITTEILAG. Mr. Chairman, under normal circumstances there is no question that a reprogramming would have been appropriate for this.

Mr. YATES. What do you mean by normal circumstances? Are we not in normal circumstances?

Mr. ITTEILAG. We are now, Mr. Chairman. At the time this action occurred, which was in February 1985, we were not in normal circumstances in that the reprogramming process was, by virtue of decisions within the Executive Branch, being held in abeyance because of the Chadha decision of the Supreme Court. The issue was whether or not the reprogramming process constituted a legitimate congressional veto. There were several months, from about September of 1984 until May or June of 1985, where the department could not receive clearance within the Executive Branch to send this committee and the Senate committee reprogramming requests.

It took the department quite a long time to make others within the Executive Branch see the light of day in terms of not disturbing the normal reprogramming relationships between the department and the various subcommittees of the Appropriations Committee.

But finally we prevailed and we began to submit and to receive approval of many reprogrammings since then, but at that time, that was in February of 1985, since there was no way we could send a reprogramming action to the committees, we asked the Secretary to approve the use of Section 102.

Mr. YATES. Why would you not have gotten the reprogramming?

Mr. ITTEILAG. As a matter of fact, we could not get clearance to send reprogramming actions from the department.

Mr. YATES. From whom?

Mr. ITTEILAG. From the Office of Management and Budget and the Justice Department, at that time.

Mr. YATES. Well, now you couldn't get it for this agency. Why were you able to get it for Park Service and BIA?

Mr. ITTEILAG. At that time, we could not obtain it for any of the department agencies.

Mr. YATES. But you got it for the Park Service and BIA.

Mr. ITTEILAG. Later in the year we did submit those reprogramming proposals and we submitted one for the Office of Surface Mining as well. For example, on the 30th of July 1985, we sent a subsequent reprogramming action in this very same account because at that time the reprogramming bottleneck had been cleared up.

Mr. YATES. The staff informs me that the request for reprogramming was not for the original $11 million.

Mr. ITTEILAG. That is correct. It was for a subsequent——

Mr. YATES. You are kind of leaving our original discussion, aren't you, by referring to a different sum of money?

Mr. ITTEILAG. Only to point out that we were able to resume the normal reprogramming process later.

SECTION 102 REPLENISHMENT

Mr. YATES. What happened to the $11 million, the first $11 million? That is still a violation of the law.

Mr. ITTEILAG. I don't agree, Mr. Chairman. It is not a violation of law. I would agree——

Mr. YATES. What happens if GAO agrees with this; that it is a violation of the law? Does somebody go to jail then?

Mr. ITTEILAG. I would assume what would happen, Mr. Chairman, is that we would then be asked for——

Mr. YATES. Why haven't you asked for a supplemental? Have you asked for one and the OMB turned you down?

Mr. ITTEILAG. We did not ask for one, Mr. Chairman.

Mr. YATES. Why did you not ask for one?

Mr. ITTEILAG. My sense is we felt it wasn't needed in this case, either technically or in terms of needing the money to be put back in the state grants program.

Mr. YATES. Wait a minute. Wait a minute. Even if your contention is right that it is an expenditure, why shouldn't you still fall within the proviso and have to replenish the funds?

Mr. ITTEILAG. Because I think a close technical reading of the proviso makes reference only to funds transferred.

SECTION 102 CONDITIONS

Mr. YATES. What happens to the money? You have taken the money out. It was for a specific purpose that the Congress established; $11 million is not an inconsiderable sum. It isn't being used for the purpose for which it was originally designed by the Congress. What justification is there for this? What possible justification is there for it?

Mr. ITTEILAG. Mr. Chairman, the justification at the time on the part of the then director of OSM and——

Mr. YATES. Under your definition, if you feel uncomfortable, you can take any money anywhere and say this is the authorization of an expenditure just by saying it is the authorization of an expenditure.

You say under the circumstances, Mr. Chairman, it occurred at the particular time you could take hundreds of millions of dollars under that same argument, couldn't you?

Mr. ITTEILAG. I think, Mr. Chairman, that section 102 carefully stipulates the purposes for which money may be expended or transferred and we would not violate those conditions.

Mr. YATES. Why wouldn't you? You did it once. Why wouldn't you do it again?

Mr. ITTEILAG. Mr. Chairman, the program officials advocated that this was a genuine emergency that could not wait.

Mr. YATES. Why didn't you request a reprogramming?

Mr. ITTEILAG. At that time we could not request a reprogramming. It was not, Mr. Chairman, as if we kept this a secret.

Mr. YATES. Wait a minute. OMB didn't agree with you that it was an emergency then, did it?

Mr. ITTEILAG. I don't think we ever discussed with OMB the specific circumstances surrounding this action.

Mr. YATES. Did you ever tell OMB that you needed the money for the expenditure and that you should reprogram it?

Mr. ITTEILAG. I believe, Mr. Chairman, the most accurate thing I can say is we had many discussions with OMB about the necessity from our view of resuming the normal reprogramming process.

Mr. YATES. You mean after the expenditure?

Mr. ITTEILAG. I don't remember whether it was before or after. The department did not desire to hold the reprogramming process in abeyance. It was not our wish to do that and it would not ever be our wish to do that. We are very comfortable with the reprogramming procedures.

ELIMINATION OF SECTION 102

Mr. YATES. Then, I think, you leave the committee with no alternative except to strike out the words authorizing the expenditure, and just say you can transfer it and then let the proviso work. Would you be comfortable with that?

Mr. ITTEILAG. Mr. Chairman, I would not be comfortable because one cannot foresee what type of emergency might arise.

Mr. YATES. I know that, but in view of the action you have taken, I don't know the committee has any alternative because if your rationale is you can do it because OMB says we won't let you ask for a reprogramming, then you just go in there and say this has been an expenditure and, therefore, we don't have to reprogram, we don't have to justify anything else. Congress has no alternative except to say we think that money should be put back. We will take the steps to make sure that you won't transgress this intention any more. I am sure you don't think there is any intention. You don't think there is any possible explanation of exceptions other than that provided for in this proviso.

I don't see any alternative. I don't think we are going to give you any flexibility.

Mr. ITTEILAG. I would hope, Mr. Chairman, the committee would take into account the exigencies of the situation that were current at the time.

Mr. YATES. What were the exigencies? That is the reason we have a reprogramming procedure is to ask you if an emergency comes up you ask us for a reprogramming. That is the purpose of the reprogramming procedure. You just don't decide for yourself; well, we need the money for this and that is it.

Mr. ITTEILAG. Mr. Chairman, the choices at the time we had were either——

Mr. YATES. You go tell your friends over at OMB that in view of the fact they didn't permit you to undertake the procedures established by the Congress for dealing rationally with emergency situations, where Congress permitted you to use the money under a proviso that would require you to request a supplemental, you tell them that we will take the flexibility away. I think that is the only choice we have.

Mr. ITTEILAG. I think, Mr. Chairman, since the time when this was an issue, OMB has seen the wisdom of——

REASON FOR NOT SEEKING A SUPPLEMENTAL

Mr. YATES. Why don't you ask for a supplemental now?

Mr. ITTEILAG. Mr. Chairman, I think that as a practical matter, we simply do not need the money in this particular place at this time. I think the action of the Congress in 1986 with respect to this particular account is good evidence of that. The Congress ultimately appropriated quite a bit less than the administration asked for.

Mr. YATES. Okay. All right. You tell the Secretary that just as we wanted to strike 102 last year, I think we will strike it this year and then let the Secretary deal with the provision. I don't see we have any alternative. In the meantime, we may call upon GAO to give us an interpretation of it.

I don't think that makes sense at all, Mr. Itteilag. It doesn't make sense at all. You are on the horns of a dilemma. You have got an unfriendly OMB telling you the hell with you, buster, go ahead, use the money and we will just cut it down out of the funds that are necessary for the Office of Surface Mining, that is all.

Now, I don't know how they expect Mr. Christensen to do his job if you take the $11 million away from him.

Mr. ITTEILAG. Mr. Chairman, in this particular case, the Office of Surface Mining made the recommendation to us, so it wasn't a matter of us imposing something upon them that they were not already advocating.

Mr. **Yates**. In other words, you don't need the $11 million, Mr. Christensen.

Mr. **Christensen**. I wouldn't admit to that, Mr. Chairman.

Mr. **Yates**. You just did. Mr. Itteilag admitted to it for you. Didn't you, Mr. Itteilag? Didn't you just say, Mr. Itteilag, Mr. Christensen didn't need the money?

Mr. **Itteilag**. At the time this document came forward, it was the recommendation of the then director of the Office of Surface Mining to take the money and handle it in the way we did.

Mr. **Yates**. Sure, and handle it in the way you did or just say, take the money and then give it back to us later, right?

Mr. **Itteilag**. No. At that time the Office——

IMPACT OF THE SECTION 102 ACTION

Mr. **Yates**. What happens as a result of losing the money, Mr. Christensen?

Mr. **Christensen**. I am not familiar with this case, Mr. Chairman. You will have to ask Mr. Culp.

Mr. **Yates**. All right, Mr. Budget Officer, do you need the money? Anybody want to answer?

Mr. **Culp**. Mr. Chairman, as indicated, the $11 million came out of the appropriation for reclamation grants to the states. We have had considerable discussion with the committee about the states' rate of obligations, and it is correct that at the time we did not feel that we needed that $11 million for grants.

Mr. **Yates**. You still feel you don't need it?

Mr. **Culp**. We have an adequate level in the 1987 request. We have an adequate level for 1986.

Mr. **Yates**. Does that mean that they can continue to take money out of that fund? Mr. Itteilag may have another emergency, and suppose he takes some more money out of the fund. Does that mean you don't need it? Why have a reserve? Do you think the states approve of this kind of procedure?

Mr. **Culp**. I am sure the states would like to have the money.

Mr. **Yates**. Then why don't you ask Mr. Itteilag for the money for the states?

Mr. **Culp**. We have asked for what we believe is a reasonable level of that money for the states.

Mr. **Yates**. You mean the $11 million is an unreasonable amount? Are you saying you don't need the $11 million now?

Mr. **Culp**. Based on the current rate of state obligations, we do not need the $11 million this year or in fiscal year 1987.

Mr. **Yates**. How much money do you need for that? You mean you want——

Mr. **Culp**. We have approximately $150 million in the budget.

Mr. **Yates**. Can you make all that available to Mr. Itteilag, too?

Mr. **Culp**. This situation won't come up again because we now have the decks cleared as far as the reprogramming procedures and we can submit reprogrammings.

Mr. **Yates**. Why didn't you have it in existence then? I don't understand why you have the decks cleared now and didn't have it cleared at that time. What does the phrase decks cleared mean?

You mean now you have a reprogramming procedure, and you did not have a reprogramming procedure at that time.

Mr. CULP. Reprogrammings were dead in the water, as Mr. Itteilag said, because of the dispute with the Department of Justice and others on, I believe it is, Chadha.

Mr. YATES. The Chadha case.

Mr. CULP. We did recommend a reprogramming for the $11 million and we got stopped by the department.

Mr. YATES. What happens to the $11 million? The fund loses the $11 million?

Mr. CULP. No, sir. The $11 million goes for emergency projects conducted by OSM rather than for grants to the states. The money is still within the AML program.

Mr. YATES. It is in a different pot though. It isn't available. The $11 million is lost to the original program, isn't it?

Mr. CULP. The $11 million will not go to the state grant program. Yes, that is correct.

Mr. YATES. Can the state sue the Federal Government for the money?

Mr. CULP. I suppose they could.

Mr. YATES. It is their money, isn't it?

Mr. CULP. No, sir. This is not state share money. It is not charged against their entitlement share. It is from the part of the AML fund where the use is at the discretion of the Secretary.

DISPLAY OF SECTION 102 ACTION IN BUDGET JUSTIFICATION

Mr. YATES. Let's take a look at page 96 of your justification. Why don't you adjust the figures there to show that you don't have the money? The figures indicate to us the money is still in the pot, do they not? Page 96. You don't show a missing $11 million do you?

Mr. CULP. That is correct. We show the actual amount as it was appropriated.

Mr. YATES. Right. Well, shouldn't you show minus $11 million?

Mr. CULP. My understanding is that we are not to show reprogrammings in this table. So the $11 million is in there.

Mr. YATES. But that hasn't been reprogrammed. I don't understand your use of that explanation.

Mr. CULP. It does not show as a reprogramming reflected in that 1985 column of the table, that is correct.

Mr. YATES. Why wouldn't you footnote it with an asterisk showing there is $11 million missing from it as a result of making a gift of it to Mr. Itteilag?

Mr. CULP. I think, in retrospect, we should have at least footnoted it, yes.

Mr. YATES. Do the states know they are missing $11 million?

Mr. CULP. They should. Some of them probably do know that we made that change, yes.

FUTURE USE OF SECTION 102

Mr. YATES. I don't know how much to beat this horse. It isn't very dead. Will it ever be replaced? Mr. Itteilag, will this $11 million ever be replaced?

Mr. ITTEILAG. Not as far as I am concerned, Mr. Chairman. The program office hasn't indicated any need to replace it.

Mr. YATES. Why don't you take more money out of it and call it an expenditure? That is a great place to take money from, isn't it, if you don't have to replace it.

Mr. ITTEILAG. Mr. Chairman, there would only be very narrow circumstances under which one could do this. I mean we have to retain the funds within this account.

Mr. YATES. Why? Why do you need that explanation? The explanation that it is an emergency isn't really an explanation for taking the money out, is it? The fact is, it is a fund. They say they don't need it. Suppose Mr. Christensen, or the budget officer, would tell you, we don't need this money, what is to stop them from taking all of this money under that rationale?

Mr. ITTEILAG. What would stop us is, if we wanted to put it in another appropriation, it would qualify as a transfer under the 102 language and we would have to replace it.

Mr. YATES. You don't have to put it in another appropriation. You can take it out and use it yourself.

Mr. ITTEILAG. No, I don't agree with you.

Mr. YATES. Then what did you do with the $11 million?

Mr. ITTEILAG. As I understand it, it was used within this appropriation for emergency projects. As a matter of fact in Alabama, if I recall.

Mr. YATES. Under a different appropriation?

Mr. ITTEILAG. No, sir, Mr. Chairman, within this appropriation. That would be the only circumstance under which the term expenditure could be used. It would have to be within the appropriation. There is a very limited circumstance under which this type of thing could happen.

Mr. YATES. Suppose the circumstance arose again? Then you could do it again?

Mr. ITTEILAG. Mr. Chairman, my view at present is we would submit a reprogramming action.

Mr. YATES. Why a reprogramming now and not then? Because of the Chadha case?

Mr. ITTEILAG. Because at that time there was a hiatus which as I said earlier we worked out to what I thought was the committee's satisfaction.

ADEQUACY OF 1987 BUDGET PROPOSAL

Mr. YATES. I think we have had enough and we will just drop the paragraph. We will move on.

Is the budget adequate in your judgment, Mr. Christensen, to perform your duties under the law?

Mr. CHRISTENSEN. I believe, Mr. Chairman, that the President's budget request is appropriate and adequate.

Mr. YATES. Now, I am sure you read the October 1985 article in the National Wildlife Federation entitled "Failed Oversight," a report on the failure of the Office of Surface Mining to enforce the Federal Surface Mining Control and Reclamation Act. One of the things it pointed out, as a failure, was inadequate management.

How do you answer that?

Mr. CHRISTENSEN. Mr. Chairman, I have read the report and other reports about management problems and other problems at OSM. We have taken those into account in determining what needs to be done at the agency. I believe that some of the points they made were appropriate and accurate. We have listened to everyone, and we consider their concerns when we manage that agency.

Mr. YATES. Would you describe in the record the steps you have taken to correct what was designated as inadequate management?

Mr. CHRISTENSEN. Yes, sir.

Mr. YATES. All right.

[The information follows:]

MANAGEMENT IMPROVEMENTS

OSMRE has taken a number of steps to improve the management of the agency:

In October 1985 a new organizational alignment went into effect which set up clear lines of authority and delegation. For example, the Field Office Directors and the Technical Centers now report to two Assistant Directors (located in Pittsburgh and Denver) responsible for all field activities in their area. This has improved communication and reduced organizational conflict.

Better communications among senior level managers have been established through more frequent staff meetings and executive meetings in which policy and procedural issues are discussed and decisions made.

OSMRE is undertaking a decentralization process which will place greater authority and responsibility in the field—closer to the State regulatory authorities and industry.

OSMRE has undertaken a review of all policy directives and other issuances to bring them up to date and make them current with recently established policy guidance.

TWO-ACRE ENFORCEMENT

Mr. YATES. They also spoke about failure to halt evasion of the law. What is your reaction to that criticism?

Mr. CHRISTENSEN. I assume they are talking about enforcement actions, not collection actions.

Mr. YATES. What are you doing about the two-acre extension? I think that was one of the bases for the criticism. That has been a sore spot for many years. What are you doing to try to correct abuses of the two-acre extension? Does your budget provide you with adequate personnel to deal with it?

Mr. CHRISTENSEN. Mr. Chairman, I believe it does.

Mr. YATES. Aren't you cutting the number of personnel supervising that?

Mr. CHRISTENSEN. Not in this area. This is an area in which this committee has shown a lot of concern, and we have concern as well. The courts gave us instructions on exactly what they would like to see us do. So we are very actively pursuing the problem of two-acre abuse in Kentucky and Virginia.

Mr. YATES. Let's look at page 46. I read from that page, "In fiscal year 1987, OSMRE will continue its efforts to address two-acre abuses in Kentucky and Virginia. A reduction of $393,000 and one FTE from the FY 1986 level, however, is proposed to reflect a nonrecurrence of costs for aerial inspections and program start-up operations that occurred in 1986."

Now, do you not need that same kind of overview?

Mr. CHRISTENSEN. Mr. Chairman, I suppose if I could go back and change that page I would be glad to buy a helicopter for Kentucky.

Mr. **Yates**. Say that again.

Mr. **Christensen**. I suppose if I could go back and change that particular page and that request I would like to buy a helicopter for Kentucky. That particular page has caused me more grief than it's worth. I am very sorry that makes it appear as if we will stop our two-acre enforcement operations at the end of 1987.

Mr. **Yates**. It does.

Mr. **Christensen**. If I could explain why that is there. We had assumed that we would take two years to accomplish three things in Kentucky and Virginia on the two-acre problem.

We were going to inventory the sites, inspect the sites and take appropriate enforcement action. The courts actually allowed us much more time, but we wanted to get on top of it and do it quickly, so we said we would like to do it in two years. Unfortunately for me, in this budget, the two years ended in 1987, and to say we absolutely won't need that money afterwards makes it appear a little absurd.

Mr. **Yates**. Well now, are you leaving that money in for the purpose in this budget? You need it, don't you?

Mr. **Christensen**. There were some startup costs when we got into the two-acre work as far as getting equipment, vehicles, and office space. The reduction would basically be for nonrecurring, one time costs.

INSPECTOR HIRING

Mr. **Yates**. What about the inspectors that the committee requested you to hire? Have they been hired?

Mr. **Christensen**. As I understand it all of the inspectors, are on board, or we have made commitments to hire.

Mr. **Yates**. By what time?

Mr. **Christensen**. I think the last will actually be on board by April 8th.

Mr. **Yates**. Of this year?

Mr. **Christensen**. Yes, sir.

Mr. **Yates**. All 34?

Mr. **Christensen**. We are talking about for Virginia and Kentucky?

Mr. **Yates**. Yes, for Virginia and Kentucky?

How are you going to finish the program by 1987? Do you have enough people?

Mr. **Christensen**. It is going to be difficult to do. It is going to take a tremendous amount of effort. The initial efforts used borrowed people to start on the problem. Now we have full-time people that are assigned to this job. We are certainly going to make every effort, but if it doesn't look like we can make it, then our 1988 budget will have to include resources.

Mr. **Yates**. How does it look for this year?

Mr. **Christensen**. At this point I think we feel pretty confident we can do it.

Mr. **Yates**. How many people do you have working on it?

Mr. **Christensen**. Actually in the two states?

Mr. **Yates**. Yes.

Mr. **Christensen**. Twenty-three.

Mr. **Yates**. Twenty-three to cover two states. Is that adequate?

Mr. **Christensen**. It is a little difficult. In Virginia, we are doing the job ourselves with our own people. In Kentucky we are doing oversight of state action.

Mr. **Yates**. Well, now you have 23 people to do the job. The committee recommended you hire 34 and put the money in for it.

Mr. **Christensen**. That is right. There are additional people we will be hiring this year to help us with that, and other kinds of problems that have been identified in Kentucky.

Mr. **Yates**. You have hired how many people then, 23?

Mr. **Christensen**. Actually we will have 23 people on board, that is right.

USE OF ADDITIONAL INSPECTORS

Mr. **Yates**. When are you going to hire the balance?

Mr. **Christensen**. We are in the process of doing that now.

Mr. **Yates**. The fiscal year 1986 will be ended before you get them hired.

Mr. **Christensen**. They will be hired by April 8. We have started now to do it.

Mr. **Yates**. On your mark, get set, go. Why are you waiting until right now?

Mr. **Christensen**. Well, we had to make some decisions on what was needed and where. The decisions have been made. We have determined that they were needed in Kentucky. There is actually more problems besides just the two-acre issue and they will be taken care of by these people.

Mr. **Yates**. What are the problems you have in Kentucky?

Mr. **Christensen**. Problems related to bond release and bond forfeiture sites.

Mr. **Yates**. Well, you have no other problems you know of?

Mr. **Christensen**. There may be other problems, but these are the problems we have identified that these people will be used for.

Mr. **Yates**. Those are the ones we identified last year.

Mr. **Christensen**. Yes. They have been identified for some time and now we are ready to tackle them.

Mr. **Yates**. They were identified last year; why are you just starting to hire people at this time? The committee pointed this out last year. You are starting to hire people now. Poor Mr. Christensen. I will wait until your two bodyguards have completed their information. Maybe you ought to let them talk. Move the microphone up and back rather than acting as the transmittal. We are both doing the same thing I guess. At any rate, what is the problem? Why did you wait so long? Did you not have the money?

Mr. **Christensen**. That is right. Part of the problem was that only when we received our continuing resolution did we know that the funds would be available. Then we commenced action to actually start hiring these folks.

Mr. **Yates**. Well, when did you learn that?

Mr. **Christensen**. The first of January.

Mr. **Yates**. Well, it has been 60 days, and you are starting now. How long does it take to hire a person?

Mr. **Christensen.** Part of the problem is getting people to want to go into the areas of Kentucky where they would have to live. No offense to the great state, but that is a problem.

Mr. **Yates.** I see. This is what Daniel Boone called the dark and bloody ground, at the time of the Indian wars.

Mr. **Christensen.** I believe he did.

Mr. **Yates.** Let me read to you from our House report, page 38. "The committee recommends an increase of $4,600,000 in program operations and inspections. This increase provides $2,000,000 to support 34 FTE's for inspection and enforcement activities." 34 FTE's.

So now you have 23 FTE's, 23 people. How many FTE's is that?

Mr. **Christensen.** Twenty-three FTE's.

Mr. **Yates.** So you have got another 11 coming up. You had 23 last year, then, didn't you, because this says 11 of the 34 will be used for inspection of two-acre mine sites in Virginia. How many did you have last year?

Mr. **Christensen.** I understand that these were eleven new positions for 1986.

Mr. **Yates.** Well, they are. How many have you got on board?

Mr. **Christensen.** Twenty-three.

Mr. **Yates.** Twenty-three of the 34?

Mr. **Christensen.** That is right.

Mr. **Yates.** That is in addition to the ones you had last year?

Mr. **Christensen.** The people that filled the position last year were borrowed from the technical centers and various field offices. They were not the full-time people that are actually going to be or the two-acre task force.

Mr. **Yates.** They have gone back to their——

Mr. **Christensen.** Yes, they have gone back.

TWO-ACRE INSPECTION IN KENTUCKY

Mr. **Yates.** According to this, you have 12 FTE's that will be used for inspections of Kentucky's two-acre mine sites. How many do you have in Kentucky?

Mr. **Christensen.** Twelve.

Mr. **Yates.** That is something. The House report states the remaining 11 FTE's are to be used for inspectors in Kentucky and Virginia to examine all bond forfeiture records and inspect these sites on a priority basis if it is determined that the state is not responsible for this inspection.

Have you come to any conclusion on whether the state is responsible for the inspection?

Mr. **Christensen.** Of the two-acre sites?

Mr. **Yates.** Yes.

Mr. **Christensen.** Yes, they are.

Mr. **Yates.** How long will it take you to get the job done? Do you need more people than 34? In this dark and bloody ground, and the Old Commonwealth, how many do you need to finish the ground?

Mr. **Christensen.** I don't believe there are enough people in America to actually go in there and have a policeman, so to speak, on every corner in eastern Kentucky. We are working closely with the state to help them do the job. We have had some very encouraging signs from the State of Kentucky that they are committed to do this job, just in the few months we have been working with them.

Mr. YATES. Assuming that is true, and we will come back to that in a moment. What about Virginia? Have you had any encouragement from them?

Mr. CHRISTENSEN. Since we are the ones actually doing the work in Virginia, we feel we will be able to accomplish it in the time frame that has been set out.

Mr. YATES. When is the time frame?

Mr. CHRISTENSEN. Two years.

Mr. YATES. Do you have enough people for that?

Mr. CHRISTENSEN. Yes, we do.

Mr. YATES. Two more years from now?

Mr. CHRISTENSEN. Two years since we started.

Mr. YATES. When did you start?

Mr. CHRISTENSEN. The clock started ticking August of 1985.

Mr. YATES. Are there states other than Kentucky and Virginia where you are finding two-acre abuses?

Mr. CHRISTENSEN. Not serious problems like these two states, Mr. Chairman.

ADEQUACY OF INSPECTION RESOURCES

Mr. YATES. Well, I am trying to reconcile doing the job with your statement that there are not enough people in America to do the job.

Mr. CHRISTENSEN. What I meant by that is to actually be able to catch and enforce against one hundred percent of the problem operators in eastern Kentucky would take a tremendous task force.

Mr. YATES. Tell us why.

Mr. CHRISTENSEN. Simply because the possibility to do wildcatting, to walk in on Friday night and mine a site and be gone Monday morning is very easy to do, and there are a lot of people willing to do that.

Mr. YATES. Would you prefer doing away with the two-acre exemption?

Mr. CHRISTENSEN. Yes, that may be necessary.

Mr. YATES. Why don't you continue your borrowed people on the job?

Mr. CHRISTENSEN. The people were borrowed for a temporary period. They had legitimate functions in the eastern technical center or wherever else they were borrowed from and things they needed to do were unable to be done while they were gone.

What we used them for was startup, to actually get the program started.

Mr. YATES. Where did you borrow them from?

Mr. CHRISTENSEN. I believe, the things they were doing in the eastern technical center were emergency projects, other abandoned mine type projects, and environmental impact studies.

Mr. YATES. Apparently, it is easier to find people on a temporary basis to do the work that they were doing during the inspection time.

Mr. **Christensen**. We can do that for a while, but it soon starts to catch up with us, Mr. Chairman.

Mr. **Yates**. Is 34 people enough for the job?

Mr. **Christensen**. Mr. Chairman, we believe we can accomplish what needs to be done with 34 people.

Mr. **Yates**. What does that mean?

Mr. **Christensen**. In 1987, that means we will be able to inspect and inventory the sites and take appropriate enforcement action working with the states.

STATUS OF TWO-ACRE ENFORCEMENT IN VIRGINIA

Mr. **Yates**. You say Kentucky is cooperating. Is Virginia cooperating?

Mr. **Christensen**. Actually, since we are doing the work in Virginia it is not a problem.

Mr. **Yates**. How long will it take you to complete the work in Virginia?

Mr. **Christensen**. The budget assumes that we can do it by the end of 1987.

Mr. **Yates**. How many people do you have there?

Mr. **Christensen**. I think we have 11 on the task force in Virginia.

Mr. **Yates**. How many so-called two-acre sites are there in Virginia that have to be inspected?

Mr. **Christensen**. We actually have that information, if you would like me to submit it for the record, on what the inventory has shown and what enforcement actions have been taken to this point.

Mr. **Yates**. Is there somebody on your staff who can tell us how many two-acre sites are in the inventory?

Mr. **Christensen**. If I could ask Mr. Close to respond to that.

Mr. **Close**. In Virginia, our inventory includes approximately 1,850 separate two-acre sites, which existed during the 1979, 1980 and 1981 period, which we are working on. That involves only about 1,500 discrete locations, however, as some sites were affected more than other ones.

Mr. **Yates**. How many sites does each man inspect? Can you cover that? You have got what, 11 people?

Mr. **Workman**. We are doing about 30 a month right now in Virginia. We can do 60.

Mr. **Yates**. How many enforcement actions are you undertaking in Virginia?

Mr. **Christensen**. Do you have that information, Mr. Close?

Mr. **Close**. We are issuing a rather small number of enforcement actions in Virginia, probably on the order of about 20 a month. That is much less than the number of inspections because we are finding that many of the sites have, in fact, been reclaimed to appropriate standards.

Mr. **Yates**. Well, now as your inspectors go through Virginia making their inspections through the day, can there be startup of the two-acre problem again behind them? Do you see what I am saying?

Mr. **Close**. All mining in Virginia, at the present time, is regulated either through the permanent program sites for those over two acres or by Virginia's special program to regulate less than two-acre sites, so there is no continuing abuse in Virginia.

STATUS OF TWO-ACRE ENFORCEMENT IN KENTUCKY

Mr. **Yates**. Twelve in Virginia. How many in Kentucky? How many inspectors do you have?

Mr. **Workman**. Twelve in Kentucky. I was mistaken. It is 11 in Virginia and 12 in Kentucky. Of the 11 additional positions that you gave us, we expect to devote nine to Kentucky. Four of those would supplement the 12 in the two-acre task force so you would have 16 applied in Kentucky to the two-acre task force.

Mr. **Yates**. How many sites are there in Kentucky that have to be inspected?

Mr. **Workman**. About 2,000 in the inventory.

Mr. **Yates**. How many are you doing?

Mr. **Workman**. We are doing heavy oversight in Kentucky and inspecting about 30 percent of those. Kentucky has already inspected all of those sites one time.

CITING OF VIOLATIONS

Mr. **Yates**. What about the fact that Kentucky was not citing violators? Is that still happening?

Mr. **Christensen**. I think we have seen a tremendous improvement in the state's attitude recently. We have had a lot of conversations with the regulatory program director in the State of Kentucky. We have given him information that shows certain areas where there haven't been violations written and he has taken that information to heart. He has issued directions to his people that violations will be cited and we have seen a tremendous increase in that activity.

Mr. **Yates**. Have you seen an increase in violations cited?

Mr. **Christensen**. Yes, sir.

Mr. **Yates**. How much of an increase have you seen?

Mr. **Christensen**. Percentage wise, I don't have that figure, but we could certainly submit that kind of information for the record.

[The information follows]:

Citing of Violations by Kentucky

In calendar year 1985, Kentucky issued 3,075 "non-compliances" (equivalent to a Federal Notice of Violation) and 912 cessation orders. This was a 73 percent increase over the number of enforcement actions taken in 1984 (1,857 "non-compliances" and 451 cessation orders).

NATIONAL WILDLIFE FEDERATION REPORT

Mr. **Yates**. Let's go back to the National Wildlife Federation Report. Has there been an inadequate Federal takeover of state programs?

Mr. **Christensen**. Mr. Chairman, I am not sure what they are alluding to there.

Mr. **Yates**. They are saying that the primacy has really not resulted in an adequate state regulatory program.

Mr. CHRISTENSEN. Mr. Chairman, I would disagree with those kinds of comments in that report. I believe a lot of the information they used to compile that report was dated information, however, I will be the first to admit, Mr. Chairman, that there are always problems with states in certain areas.

There are very few states that have perfect primacy programs. However, we believe that as problems are identified we work with the state to correct those deficiencies.

Mr. YATES. What do you do? You have justified your annual report update for 1985. How many states have achieved primacy?

Mr. CHRISTENSEN. It is 24.

Mr. YATES. Of the 24, you talk about inadequate Federal takeover of the state programs. Should you be recapturing or rescinding primacy, for example, for Alabama because they have inadequate bonds, inadequate inspections, and there has been a failure to cite violations.

Mr. CHRISTENSEN. Mr. Chairman, we can go through all those reports. I did, as you have done, and what I was encouraged to see was that every time there was a deficiency noted, there was an action plan to follow up and correct that deficiency which the state agreed to.

I might add that certain language added into our budget is particularly helpful to us. It suggests that AML funds could be threatened if states weren't willing to enter into these particular type of agreements with us to improve their programs. The states have been more than willing to do so.

Mr. YATES. The report that I am citing is one that you have sent us dated February 28, 1986. That is fairly recent.

Mr. CHRISTENSEN. That is the update.

STATUS OF ALABAMA REGULATORY PROGRAM

Mr. YATES. And Alabama is cited in that. It shows Alabama has inadequate bonds, inadequate inspections and has been guilty of failure to cite violations. At what point do you remove primacy?

Mr. CHRISTENSEN. That is a good question, Mr. Chairman. I believe we have in place a procedure to deal with these types of problems. The last option I see is actually doing a 733 action and taking over the state program. I would much prefer to work with the state to work out these type of problems.

Mr. YATES. How long would you work with the states in order to do it?

Mr. CHRISTENSEN. It depends how severe the problem is.

Mr. YATES. How severe is the problem in Alabama?

Mr. CHRISTENSEN. The problem is not, what I would consider, severe enough to take over that part of their program. I believe we can make some real headway with them in discussions.

Mr. YATES. Are you denying any of their AML funds?

Mr. CHRISTENSEN. Not at this time, sir.

Mr. YATES. How long will it take before you come to a conclusion on this?

Mr. CHRISTENSEN. If we are working with the State of Alabama, or any state, and it is determined that we have reached an absolute impasse in resolving a particular issue, that is the point that we tell them that they have forced us into a position of having to condition the AML funds.

FEDERAL ASSUMPTION OF REGULATORY FUNCTIONS

Mr. YATES. Have there been any Federal takeovers of state programs?

Mr. CHRISTENSEN. Tennessee is the state where we have done so. We are the regulatory authority there. In Oklahoma, we took over part of the regulatory function, but are returning that to them.

INDIANA REGULATORY PROGRAM

Mr. YATES. Indiana has inadequate bonds. What are you doing about them?

Mr. CHRISTENSEN. We have our field office that deals with these problems on a daily basis. They are working out a plan of action to improve the regulatory program in Indiana.

COLORADO REGULATORY PROGRAM

Mr. YATES. Let's look at the state of Colorado. I asked you how long it takes.

Mr. CHRISTENSEN. I thought Colorado might come up.

Mr. YATES. Well, tell us about Colorado. What are you going to do with Colorado? It has been over two years now, and they do not have an adequate number of inspections.

Mr. CHRISTENSEN. We have worked with Colorado very carefully. We did a special study of what were perceived as problems in their regulatory authority, and signed an agreement with them on actions they will do to make their program adequate.

Mr. YATES. For two years now, this committee has discussed Colorado with you and the inadequate number of inspectors that Colorado has. How many years will you permit to go by before Colorado hires a number of inspectors you consider to be adequate?

Mr. CHRISTENSEN. That has been a problem and can be with any state in that what they think is adequate and what we think is adequate.

Mr. YATES. You are supposed to be the one that decides, aren't you?

Mr. CHRISTENSEN. To me, it ought to be a joint decision.

Mr. YATES. Is there any dispute as to the number of inspectors Colorado says they should hire?

Mr. CHRISTENSEN. There can be. Originally when the programs were approved by the Secretary in 1981, 1982 and 1983, whenever they got primacy, a rule of thumb was set out on what was appropriate for a state to have as far as inspectors and other personnel. As time passed and conditions changed, we hate to be inflexible on exactly the number of positions they need to be able to do the job.

Mr. YATES. Well now, let me ask you a question. Your report, page CO-2, in your update, you give us the impression that Colorado has hired the additional inspectors under 3(b). You say, "Colorado will hire additional inspectors by January 31, 1986." Then you put "staff were hired." Yet when we look back at the box on page

CO-6, we see that they still have not hired the approved number of inspectors. Why do you say "staff were hired"?

Mr. **Christensen**. I believe this relates to how they actually utilize the staff. If I could have Mr. Lowrie, who is actually located in Denver, discuss that for just a moment, perhaps we could clarify how they use their people.

Mr. **Yates**. Will Mr. Lowrie tell us about the great State of Colorado?

Mr. **Lowrie**. Mr. Chairman, they did hire five additional people right before the change of the year, December.

Mr. **Yates**. Making a total of what, Mr. Lowrie?

Mr. **Lowrie**. Making a total of 26. They are up to their full staff.

Mr. **Yates**. Of that total staff, Mr. Lowrie, how many inspectors do they have?

Mr. **Lowrie**. They have 20 people of that total staff in the regulatory program, divided into ten inspectors and ten people that do permitting, but they use the permitting people and the inspectors interchangeably. They send the permitting people out on inspections and use inspectors in the permitting process.

Mr. **Yates**. How many inspectors are they supposed to have? Your box indicates they are supposed to have 14. If they hire, if they have people who are acting as inspectors on a temporary basis, is that considered to be inspectors?

Mr. **Lowrie**. If you are looking at the number 14, Mr. Chairman——

Mr. **Yates**. I am looking at page CO-6 at the approved program staffing level.

Mr. **Lowrie**. That number should have been ten instead of 14, and the number for permitting should have been ten instead of six. So they are currently at a level of ten and ten in permitting and in inspection, with a total program number of 26 which is their approved program level.

Mr. **Yates**. Okay. Are you saying then that Colorado only needs ten inspectors by your standards?

Mr. **Lowrie**. They need the ten permitting plus the ten inspectors which they use interchangeably, both for permitting and inspecting.

Mr. **Yates**. Are you saying the inspection job is adequately done by the ten permittees and the ten inspectors?

Mr. **Lowrie**. Yes, sir, I am, Mr. Chairman. They have made some other changes to the program in addition to staffing that would allow them to be complete in their inspection frequency.

INSPECTION FREQUENCY IN COLORADO

Mr. **Yates**. Then, is your statement wrong on page CO-2, item number three, where you say "Colorado has failed to meet its inspection frequency or to conduct complete inspections"?

Mr. **Lowrie**. That was over a period of time.

Mr. **Yates**. That is no longer true then?

Mr. **Lowrie**. I would say over that period of time that is probably accurate.

Mr. **Yates**. I am asking about now.

Mr. Lowrie. They should be able to meet their inspection frequency now because there have been other changes besides personnel changes.

Mr. Yates. How does that bear on it?

Mr. Lowrie. Beg your pardon, sir?

Mr. Yates. How does that bear on the question, there have been a couple of other changes?

Mr. Lowrie. They have made some program changes so that they will be able to do partial inspections from aircraft, both helicopters and fixed wing, and they have also changed their program so that inactive mine sites, those that are temporarily closed down, will only have to be inspected on a quarterly basis instead of on a monthly basis. That was stretching their resources.

Mr. Yates. So in your judgment then, Colorado is no longer guilty of any failure.

Mr. Lowrie. They have been in the past, but are now on target.

Mr. Yates. Currently they are not; is that what you are saying?

Mr. Lowrie. Currently that is right. They should be able to meet their inspection frequency.

Mr. Yates. How will you check that? How will you know that?

Mr. Lowrie. We will do it through oversight.

Mr. Yates. What kind of oversight?

Mr. Lowrie. We do joint inspections as well as independent inspections in Colorado with the Colorado inspectors.

PENNSYLVANIA REGULATORY PROGRAM

Mr. Yates. Let's talk about Pennsylvania now. Your report says, on page PA-3, that "Pennsylvania's number of mine inspectors is below the approved program level". Is that still true?

Mr. Workman. Yes.

Mr. Yates. How many were they required to hire?

Mr. Christensen. We are searching, Mr. Chairman.

Mr. Yates. Let me invite your attention to page PA-10.

Mr. Christensen. 196? Is that the figure?

Mr. Yates. Yes. They have hired 144, right?

Mr. Christensen. Yes.

Mr. Yates. What is Pennsylvania doing to correct that?

Mr. Christensen. Mr. Chairman, the State of Pennsylvania has had a concern about whether they need that number for a considerable amount of time.

Mr. Yates. You mean that number is not correct?

Mr. Christensen. They do not believe so. They have asked us for a program change which we are reviewing to determine if that 196 figure is still appropriate.

Mr. Yates. How long will it take for you to come to any conclusions?

Mr. Christensen. The field office people are working with the state to determine that figure. I am not sure how long that would take to do.

Mr. Yates. How long have they been working with them? I assume they have been working with them for years on it.

Mr. Christensen. This particular issue came up and then was dropped by the state, and it recently surfaced again.

Mr. YATES. Have your field inspectors reported to you on the progress of their negotiations? Last year, it was indicated that Pennsylvania needed 150 inspectors. Now this figure is different. This shows 196 inspectors. Is there a difference between the two? I do not know whether there is a difference between number of inspectors or man years of effort. Is there?

Mr. CHRISTENSEN. Could I have Mr. Close respond to these questions?

Mr. YATES. Sure.

Mr. CLOSE. We have had continuing conflict with the people in the State of Pennsylvania as to how many inspectors are actually in their program. In past years, they have used a number of people within other programs in the Department of Environmental Resources. They have, in the past year and a half, consolidated those into a single agency, so we have, for the first time in several years, a reasonably accurate count of how many people they actually have on board who are doing mine inspections on a regular basis. They are telling us that number is, at the present time, I believe, 144 or 142, one or the other. The approved program, when you count all those fractional inspectors and try to aggregate them into full-time equivalents, requires 196. They have asked that we reduce that to a program level of 162. We have not approved that, but it is likely some reduction would be appropriate since with the 144 number they have increased their inspection frequency up to a level of 86 percent on a site-by-site basis and over 90 percent on an overall basis.

Mr. YATES. Is that the only deficiency in Pennsylvania?

Mr. CLOSE. No, sir.

Mr. YATES. What other deficiencies are there?

Mr. CLOSE. They have a significant problem in assessing civil penalties. They have a backlog of penalties which remain uncited as a result of some system problems within the department. We are addressing that with them on a regular basis.

KENTUCKY REGULATROY PROGRAM

Mr. YATES. What about the staffing on the Kentucky mines? Is the number adequate?

Mr. CHRISTENSEN. As far as the state goes?

Mr. YATES. No. As far as you are concerned.

Mr. CHRISTENSEN. As far as Kentucky?

Mr. CLOSE. Mr. Chairman, last year we asked Kentucky to staff up to its full approved level of 408 which the state did complete about the beginning of September 1985. Since that time we have placed additional emphasis on their performance of the two-acre program, which is placing some strain on their resources as a result of having to do both their regular program, which was what the 408 was to cover, plus two-acre sites. The state has approached the legislature and asked for an additional 14 positions for immediate use. That would be helpful.

Mr. YATES. Mr. Close, last year you indicated that there was a shortage of 50 in the Kentucky staff number, and I assume from what you are telling us today that that number has been made up.

Mr. CLOSE. Yes, sir.

MISSOURI REGULATORY PROGRAM

Mr. **Yates**. Okay. Let's talk about Missouri. Missouri has inadequate bonding and also failure to cite violations. What is happening in Missouri?

Mr. **Christensen**. We recently sent Missouri a letter asking them to make a change in the way they handle their state bond pool and also in the level of bonds that are required of the operators. I understand the state legislature is taking action on that this week.

MONTANA REGULATORY PROGRAM

Mr. **Yates**. What about Montana? Your own report indicates that there are not adequate inspections.

Mr. **Christensen**. Montana is a state that is not a serious problem. If they are inadequate in that area, it is just a difference of a few percentage points. They generally are very good at completing all of their inspections.

NEW MEXICO REGULATORY PROGRAM

Mr. **Yates**. New Mexico has had inadequate bonding and failure to cite violations. Tell us about New Mexico.

Mr. **Christensen**. Could I have Mr. Wahlquist respond to that, please.

Mr. **Wahlquist**. I can respond to the bonding issue. The bonding issue in New Mexico arose because they had not completed the repermitting effort. Those areas, where they had repermitted the bonds, were adequate but they still had several sites that had not been repermitted. They have, in the past year, issued six more permits and rejected one, so there are only four operations at this point that do not have permanent program permits. They anticipate permitting three of those by June of this year, and the last one by January of 1987.

Mr. **Yates**. What about the failure of New Mexico to issue citations?

Mr. **Christensen**. That is one of the areas where we are having to work with the state to improve their performance, Mr. Chairman.

REGULATION ON TRIBAL LANDS

Mr. **Yates**. We are interested specifically in the question of the regulation of activities on Indian lands. Is that what you are talking about? What is happening with respect to the Indian land question?

Mr. **Christensen**. That has been an area where we have had a concern. The Inspector General did a study there, at your suggestion, and we have just about resolved that issue. There was a period of time where the State of New Mexico was actually taking regulatory actions that were in dispute. We have just about resolved that issue. What we have done is prepared a paper for the Secretary to make a policy decision on that.

Mr. **Yates**. Well, in New Mexico the state used their grant money to regulate mining of the Indian lands, did they not?

Mr. CHRISTENSEN. That was the problem and that no longer takes place. We have a clear understanding with the state on what they do and what we do.

NORTH DAKOTA REGULATORY PROGRAM

Mr. YATES. Okay. What about North Dakota's inadequate bonding and failure to cite?

Mr. CHRISTENSEN. North Dakota is our stellar star when it comes to a state that does the best possible job. They feel strongly they are doing a good job too, so any problems we have with them, we can work them out.

Mr. YATES. You do propose to work them out then?

Mr. CHRISTENSEN. Yes, sir.

Mr. YATES. Why have you listed them then?

Mr. CHRISTENSEN. Again, there are few, if any states, who do a perfect job in every area of regulation or enforcement. Each has one or more problems. We identify these and then we determine how we are going to work with the state to correct them.

Mr. YATES. Of course, we are only asking about inadequate bonding, inadequate inspections, and failures to cite. If North Dakota is guilty of failures to cite, why do you list a luminary like North Dakota in your report if it is just a few instances that they have overlooked perhaps. If it is not a regular pattern and if there is not a sufficent number of failures, why are they listed in the report?

Mr. CHRISTENSEN. Mr. Chairman, we like to give you information showing that if there is a problem, we have identified it and we are dealing with it. So even though it may not appear significant, the problem was identified.

Mr. YATES. You have identified the problem, but in North Dakota's case, you say it is not significant. Is that correct?

Mr. CHRISTENSEN. What I am suggesting is they will deal with the problem in an expeditious manner.

Mr. YATES. Suppose we ask you to tell us when they have dealt with it.

Mr. CHRISTENSEN. That would be fine.

Mr. YATES. Okay. All right. We are asking you.

Mr. CHRISTENSEN. Okay.

OHIO REGULATORY PROGRAM

Mr. YATES. What about Ohio? Are they as stellar a state as North Dakota?

Mr. CHRISTENSEN. No, sir.

Mr. YATES. Okay. They are listed under inadequate bonds, inadequate inspections, and failure to cite violations. Tell us about that.

Mr. CHRISTENSEN. Mr. Chairman, we have been meeting with officials in Ohio at the highest level to determine what can be done about some of these problems. I would like Mr. Close to describe some of the things we have done in recent months to take care of some of these problems.

Mr. YATES. All right, Mr. Close.

Mr. CLOSE. We identified several problems in Ohio which were primarily management-related, the result of what I would call inadequate use of their resources. We thought they probably had enough people to do all inspections, for example, but because of poor scheduling they were not doing that. There were some other problems which we identified as being the result of a lack of clear policy and direction to the staff.

I met personally with our field office director, and with the director of the Department of Natural Resources and his key staff, including the chief of the division who runs that program. We worked out with them a basic commitment from the director to address all of the deficiencies. They have entered into a specific agreement in the case of failure to cite violations which includes a number of measures such as issuance of a policy, supervisory follow-up on individual inspectors and top level follow-up of each of their operating offices within the state. We will be evaluating their progress in April.

Mr. YATES. Is there a movement to restore civil service status to the inspectors?

Mr. CLOSE. There has been a bill introduced in the legislature. In addition, we have taken other steps with the state to insure that inspectors know their job is to write violations if they see them.

Mr. YATES. Well now, Mr. Christensen, I take it the budget that you have asked us to approve permits your agency to overcome all the criticisms that the National Wildlife Federation Report has cited?

Mr. CHRISTENSEN. I believe that is fair to say, Mr. Chairman.

Mr. YATES. You think it is fair to say?

Mr. CHRISTENSEN. Yes, sir.

BUDGET REQUEST TO OMB

Mr. YATES. How much money did you ask of OMB? Do you have that figure? Did OMB give you everything you asked for?

Mr. CHRISTENSEN. No, sir.

Mr. YATES. Do you have a chart showing how much money you asked of OMB? I take it that does not include a request for the reprogramming.

Mr. CHRISTENSEN. Mr. Chairman, we can give it to you in greater or lesser amount of detail.

Mr. YATES. Do you have a chart I can see, Mr. Itteilag?

Mr. ITTEILAG. Sure. I will be more than happy to give it to you.

Mr. YATES. Thank you. Do you have an extra copy for Mr. Christensen?

Mr. ITTEILAG. I believe so, Mr. Chairman. Mr. Christensen now has a copy.

Mr. YATES. Let's take a look at this.

Under federal regulatory programs, you requested of OMB $37,658,000 and OMB gave you approximately $4 million more, right?

Mr. CHRISTENSEN. Yes, sir.

Mr. YATES. How come they were so generous? Then the total for regulation and technology is $100,880,000 so you have received an extra $5 million from OMB for regulation and technology.

Mr. CHRISTENSEN. Yes, sir. That increase is for two areas: One is for an increased emphasis on our training effort, and the other is for relocation of personnel through decentralization.

Mr. Yates. And the federal reclamation programs were cut by $3 million, right?

Mr. Christensen. This chart shows $36 million.

Mr. Yates. You were cut significantly on the grants, weren't you?

Mr. Christensen. Yes, sir.

Mr. Yates. From $186 million down to $150 million. OMB struck out $36 million in grants.

So you were not hurt in the field of regulation; you were hurt in the field of grants; is that correct?

Mr. Christensen. It was in the abandoned land mine grants.

OKLAHOMA REGULATORY PROGRAM

Mr. Yates. Mr. Itteilag's office also took $11 million out of that, didn't they? [Laughter.]

What is happening to Oklahoma's primacy proceeding?

Mr. Christensen. We worked out a resolution with the State of Oklahoma under which we have given them all the inactive sites back to inspect, and as we go through active sites, we turn them over to the state. We are hopeful that by the end of fiscal year 1986, they will have all of those sites back under their purview.

CIVIL PENALTY COLLECTIONS

Mr. Yates. The Solicitor's Office says you are going to have a bigger workload. He is going to have a bigger workload taking care of your business.

Mr. Christensen. Particularly in the collections area, Mr. Chairman.

Mr. Yates. How are the collections going?

Mr. Christensen. That is an area where we believe we have improved. In the information we provided to you, we talked about how we have finally loaded our collections management information system. We are now able to use that information to determine the status of cases, including how many cases actually are outstanding.

Mr. Yates. How much do you have outstanding?

Mr. Christensen. The figure is $170.3 million of which approximately $14 million is in a closed-type of account.

Mr. Yates. The Solicitor's Office is attempting to collect that?

Mr. Christensen. Yes, sir.

Mr. Yates. With what success?

Mr. Christensen. Their success rate is increasing.

Mr. Yates. Starting from what?

Mr. Christensen. From last year's report to this year.

Mr. Yates. How much have they collected?

Mr. Christensen. Do you have that figure, Bob?

Mr. Ewing. No. I have the total.

Mr. Christensen. We have a total of the collections and how they have improved, if I could ask Mr. Ewing to provide that.

Mr. Yates. How much have they collected in total?

Mr. Ewing. We have collected, up through January, $8.3 million for the total program since the program has been in operation.

Mr. Yates. How many years is that?

Mr. **Ewing**. Eight years, from 1978 through 1985.

Mr. **Yates**. You still have $170 million outstanding then.

Mr. **Ewing**. Total assessments that have been assessed over that period is $170 million. We have closed out $13.8 million.

Mr. **Yates**. You have dismissed that.

Mr. **Ewing**. We have collected it. We have either compromised part of the original assessment through the Solicitor's Office, or we have determined it to be uncollectible. So of that $14 million, we have collected roughly $8.3 million.

Mr. **Yates**. Should we ask you for a breakdown of what you expect to happen to the $170 million or should we ask the Solicitor's Office that when they come in? Would they know the answer to that?

Mr. **Ewing**. The breakdown?

Mr. **Yates**. Yes.

Mr. **Ewing**. Some of this is still going through the process. Once you have an assessment to take it all the way through the process, it takes a number of years to complete the collection cycle. Right now there is $156 million that is outstanding, that is, either not collected or settled.

Mr. **Yates**. That is $156 million?

Mr. **Ewing**. Yes, sir. It was $170 million to start. We collected or settled about $14 million. That leaves $156 million to be accounted for in some way. That is by either collection, determining it uncollectible or by compromise. We are working through those cases. We have roughly 9,000 cases left to take through. We have accomplished and closed out 14,000 cases this past year. There were 23,000 cases that we began with. We have closed out as many as we could.

UNCOLLECTIBLE CIVIL PENALTIES

Mr. **Yates**. Have you an idea as to how much of that is considered uncollectible?

Mr. **Ewing**. Right now, sir, we have been working with the debt collection contractor, a GSA approved private contractor. We have turned over roughly $18 million over the last several months in different batches; and as of yet we have not had a collection on that. A lot of it is not collectible, the exact amount I cannot tell you. That which we cannot resolve, we will turn over to the contractor and get a net worth determination on the value of the company, so we know that it is either bankrupt or can pay something. Then we will proceed with the judgment.

In improving collections, I might add we have instituted a revised conference officer procedure whereby we work with the operator early on in the process rather than letting the process take two or three years. That has been quite successful.

APPLICANT VIOLATOR SYSTEM

Mr. **Yates**. Was Judge Parker's order to you about your applicant violator computer system?

Mr. **Christensen**. Mr. Chairman, we have an order, as you know, to develop an applicant violator system by February of 1987. To date, what we have done is issued a contract which will do two things: One is data collection; the other is to actually develop the software for the system. The hardware we will be using will be the USGS computer. We are very confident we are on schedule at this time. However, the only concern we have is that we have adequate time to actually test the system to make sure it will work appropriately and correctly.

Mr. **Yates**. How are you going to provide for the quality assurance or accuracy of your data in the system?

Mr. **Christensen**. As you can imagine, that is one of our biggest concerns because if there is inaccurate data, then mining companies are going to be unable to get a permit and there will subsequently be lawsuits and other kinds of challenges to the system. So we are working with the states to determine the best possible way to put accurate information into the system, and also making sure that what is in there is updated and correct. I think that we need to be on the record so everyone understands that this is going to be a very expensive effort, both to make sure that data is in there, that the data is accurate and updated.

Mr. **Yates**. Can you complete the job of setting up your system by February 1987?

Mr. **Christensen**. Mr. Chairman, we can complete it; but, again, the concern that I have is that the system is adequately tested and the data is accurate. February 1987 is really pushing us hard.

Mr. **Yates**. Do you think you can get an extension from Judge Parker?

Mr. **Christensen**. Mr. Chairman, if we could, that would be very much appreciated.

EXPANSION OF INFORMATION SYSTEM

Mr. **Yates**. Maybe we ought to subpoena him.

Do you propose to expand the system to provide for an overall OSM data system?

Mr. **Christensen**. That is correct. Mr. Chairman, I would like to ask Mr. Boldt to describe what we expect over the next few years in our computer system.

Mr. **Yates**. That he may.

Mr. **Boldt**. Mr. Chairman, the committee report for our fiscal year 1986 budget expanded the AVS to include two additional phases. Phase two will include state violation data, and phase three water quality data. The data collection activity for phase two is one of the elements that is included in our fiscal year 1987 budget request.

As far as the expansion of the system is concerned, we ultimately intend to take the three management information systems; for civil penalties, the applicant violator system, and the AML fee system, all of which work off basically the same base data, and incorporate them into one integrated system.

Some of the money to design that integrated system is included in this 1987 budget.

STATE COOPERATION IN APPLICANT VIOLATOR SYSTEM

Mr. **Yates**. Can you have a good system without cooperation by the states?

Mr. **Boldt**. Again, as far as the applicant violator system is concerned, the 1986 appropriation language requires us to negotiate memoranda of understanding with each of the states. We put together, under the auspices of the Interstate Mining Compact Commission, a committee to work with the states. We have had three committee meetings already and we have another scheduled for sometime in April. One of the things that has been discussed is the MOU. Of the states that are participating, and all the states that have primacy are participating, all have agreed to sign those MOUs. Within the next week or so we will be sending a letter formally to the state with a draft MOU requesting them to execute it.

Mr. **Yates**. What is your guess on how many will cooperate?

Mr. **Christensen**. Mr. Chairman, I might just add that I think an emphatic answer to your last question is that, without their cooperation, it would make it very difficult to utilize the system.

Mr. **Yates**. As of now, you do not have anybody signed on, do you?

Mr. **Christensen**. What we have been doing is meeting with them to determine what the system is going to look like to allay their fears about the system, and I think we are beyond that now. They understand what the system is for, and how it is going to be used. At this point, we do not have any indication that any state would not use the system.

Mr. **Yates**. How long are you going to give the states to sign up?

Mr. **Christensen**. I believe we anticipate, within the next month, we will have those signatures, about the end of April.

Mr. **Yates**. How many states are you looking forward to signing up?

Mr. **Christensen**. All 24.

Mr. **Yates**. Is there a deadline? Suppose they do not sign up.

Mr. **Christensen**. Their regulatory grants are all conditioned on their sign up, so there is not a lot of choice for them.

Mr. **Yates**. How tough are you with regulatory grants?

Mr. **Christensen**. Tough.

Mr. **Yates**. Tough. Okay. What about AML grants?

Mr. **Christensen**. They would also be conditioned and if they do not have an appropriate program that we agree to, then we can condition their AML grant also.

Mr. **Yates**. Are you tough on that also?

Mr. **Christensen**. Yes, sir.

Mr. **Yates**. Are you a paper tiger? You have already issued the 1986 grants.

Mr. **Christensen**. Well, all the grants are conditioned in such a way that if they do not sign this by the end of April, then we would be in a position of going back to the state and tying up some of that money.

OWNERSHIP AND CONTROL RULE

Mr. **Yates**. Okay. Are you proposing to expand the scope of ownership in the system?

Mr. **Christensen**. Mr. Chairman, as you know, we have proposed an ownership and control rule and that is now in the final stages.

We have received comments from all parties that were interested, and we are just on the verge of proposing that final rule.

Mr. YATES. We hear from the chairman of the Interior Committee that your proposal is not detailed enough, that it does not go up the line of ownership beyond one step or possibly two steps along the channel of ownership to the ultimate owners. Is that a valid criticism?

Mr. CHRISTENSEN. Mr. Chairman, without engaging in ex parte communications on this particular rule which is just ready to go final, I would suggest that there may be some miscommunication with Chairman Udall. What we have proposed to do is meet with them and explain exactly what the system and the rule would do, and how their concerns should be alleviated. I might suggest that the system would do anything we ask it to do. The data that will be loaded into the system is everything that is required by the surface mining law itself and also by the Parker order. There are those who would prefer us to load a lot more information in there, but at this time our instructions are to load those two items into the system.

Mr. YATES. That is, what your instructions are from whom? The judge?

Mr. CHRISTENSEN. From us to the contractor. That is the information we are suggesting that they collect: what the law requires, and what the Parker order requires.

Mr. YATES. Is that adequate for your purpose?

Mr. CHRISTENSEN. Yes, sir, it is. It is more than adequate.

RESUMPTION OF PRIMACY IN TENNESSEE

Mr. YATES. Are you using any incentives with Tennessee to get it to cooperate?

Mr. CHRISTENSEN. Mr. Chairman, I am sorry to report the State of Tennessee called me yesterday, and suggested they will not be taking over the program. The state legislature decided to back off from that effort.

Mr. YATES. Why is that?

Mr. CHRISTENSEN. Based on their experience with primacy, they are not willing to go through that again. There is also a lot of concern by industry itself, which would rather we ran the program rather than the state. Needless to say, we are very disappointed. We have not received a final notice, but I understand the Governor is writing the Secretary to give that indication to him.

Mr. YATES. What happens to the reclamation?

Mr. CHRISTENSEN. As far as the regulatory program, we are the regulatory authority and the appropriate reclamation will be done on the permits as we inspect them.

Mr. YATES. Can you tell us how many priority one and two projects are out there?

Mr. CHRISTENSEN. Yes. I have that information. There are two priority one and 25 priority two projects that would be eligible for funding if they had a Title IV program.

ALABAMA REGULATORY PROGRAM

Mr. YATES. Does Alabama need legislation passed to maintain its program?

Mr. CHRISTENSEN. Mr. Chairman, I am glad to report that they did pass appropriate legislation. It has been sent to the Governor and should be signed this week.

Mr. YATES. To do what?

Mr. CHRISTENSEN. To continue their primacy program.

PRIMACY FOR INDIAN TRIBES

Mr. YATES. What about the question as to whether or not Indian tribes should have primacy?

Mr. CHRISTENSEN. I understand that the Senate Select Committee on Indian Affairs as well as the House Interior Committee are both looking at that problem and may be proposing legislation. They may suggest that the Indian tribes be able to have primacy or be allowed to access their AML funds. At this point, I do not know of anything that has been introduced.

Mr. YATES. Is that a no man's land, the regulation then of the Indian lands?

Mr. CHRISTENSEN. Yes, sir, it is right now as far as primacy is concerned.

Mr. YATES. Is there any activity by the Indian tribes to obtain legislation?

Mr. CHRISTENSEN. I believe the Indians have been fairly active, but at this point nothing has really happened.

REGULATION OF TRIBAL LANDS IN NEW MEXICO

Mr. YATES. Has the Secretary made any decision on exception relief for the problem with regulating Indian lands in New Mexico?

Mr. CHRISTENSEN. I am not sure I understand the question.

Mr. YATES. Well, the Inspector General talked or had a report on expenditures by New Mexico's Energy Department.

Mr. CHRISTENSEN. Yes, sir. We have prepared a position paper for the Secretary to make a final determination on what the state should pay back to the Federal Government, if anything. There are several options in that paper, which is working its way through the department. The Secretary should have that shortly.

Mr. YATES. Do the states regulate mining on Indian land?

Mr. CHRISTENSEN. No, sir. That is a federal responsibility.

Mr. YATES. And you do not do it.

Mr. CHRISTENSEN. Yes, we do.

Mr. YATES. On Indian lands?

Mr. CHRISTENSEN. Yes, sir.

Mr. YATES. What do you find in connection with mining on Indian land?

Mr. CHRISTENSEN. Generally, Mr. Chairman, big companies do the mining on Indian lands, and they do not like to have any kind of outstanding NOV or anything else placed upon them. They see that as an insult, so overall they do an excellent job of mining and reclamation.

Mr. YATES. Any variations from that?

Mr. **Christensen**. Not that I can suggest at this time.

Mr. **Yates**. Do you have inspectors looking at it?

Mr. **Christensen**. Yes, sir.

Mr. **Yates**. At their lands?

Mr. **Christensen**. Yes, sir.

Mr. **Yates**. Any complaints from Indian tribes?

Mr. **Christensen**. The only complaint, I understand, Indian tribes might have relates to leases they entered into some time ago and would like to renegotiate.

Mr. **Yates**. That is nothing you have to deal with.

Mr. **Christensen**. No, sir. I might also suggest that Indian representatives accompany us on inspections on Indian land sites.

DENIAL OF AML FUNDING TO STATES

Mr. **Yates**. Have you threatened any of the states with denials of their AML funding if they do not comply with your programs?

Mr. **Christensen**. Mr. Chairman, rather than using the word "threat", we have indicated to them that that is a possibility, yes.

Mr. **Yates**. Have you invited their attention to that possibility?

Mr. **Christensen**. Yes, sir, we have.

Mr. **Yates**. In what states?

Mr. **Christensen**. In Ohio and in Kentucky, and we also have discussed it with Pennsylvania.

Mr. **Yates**. How close are you to exercising that invitation?

Mr. **Christensen**. Mr. Chairman, I can assure you that our discussions got their attention very quickly, and we entered into agreements with them on corrective actions to their programs.

Mr. **Yates**. How close are you to any such denial of funding in the cases of Kentucky and Virginia?

Mr. **Christensen**. At this point, we are not close at all, sir.

Mr. **Yates**. Are you close to it in any state?

Mr. **Christensen**. No, sir.

Mr. **Yates**. Are there any states which have a pattern of refusal to comply with regulations?

Mr. **Christensen**. Not really. Our oversight reports point out that in every year states have one problem or another which we work out.

APPORTIONMENT OF SECRETARY'S DISCRETIONARY SHARE

Mr. **Yates**. In the Continuing Resolution for FY 1986, OSM was requested to present to the committee its alternatives for apportioning the Secretary's discretionary share of AML funds. Do you have any conclusions with respect to the committee's request?

Mr. **Christensen**. Yes, Mr. Chairman. What we have done for 1986 is to allocate AML funds based on a 50-50 formula, 50 percent based on historical production, 50 percent based on an inventory that was done several years ago. That also is how we propose to distribute those funds in the future. I believe additional information has been provided this committee on other proposals that were made. We would like to settle this issue once and for all, as would the states. It is very difficult to find one formula that anyone will agree upon.

Mr. YATES. What is the best way of trying to get agreement between everybody?

Mr. CHRISTENSEN. Mr. Chairman, we have done outreach on this. We have had letters from every state involved on what they would like. I firmly believe that the formula that we have developed is a fair, equitable formula that treats everyone the best that we can.

Mr. YATES. How is the Secretary's discretionary share allocated in fiscal year 1986?

Mr. CHRISTENSEN. In 1986, that is being done based on the 50-50 split.

EMERGENCY PROJECT FUNDING

Mr. YATES. Is the amount that you have requested for 1987 adequate, $15.7 million for emergencies?

Mr. CHRISTENSEN. Yes, sir.

Mr. YATES. Is this the area that Mr. Itteilag invaded with the $11 million?

Mr. CHRISTENSEN. Yes, sir, last year, but I do not know if Mr. Itteilag was in the department when all this happened. I might suggest, Mr. Chairman, that we have made a change in our emergency policy which states that we will address the immediate emergency situation and then let the state finish the project through its state grant. That is why I believe we can suggest that the $15.7 million is adequate for the program.

Mr. YATES. Does that mean we should expect a reprogramming this year?

Mr. CHRISTENSEN. We expect we will not need a reprogramming.

AML RESEARCH PROGRAM

Mr. YATES. How much of your Title IV research is conducted by the Bureau of Mines?

Mr. CHRISTENSEN. Mr. Chairman, I believe we use the Bureau of Mines for about 25 to 40 percent of our work. We also use USGS, private contractors, universities, whoever has the expertise to do the kind of work we expect.

RURAL ABANDOMED MINE PROGRAM

Mr. YATES. You do not want any money for new contracts for RAMP reclamation? Why is that?

Mr. CHRISTENSEN. Mr. Chairman, our philosophy on RAMP is that we would much prefer to give AML money to the states and let them take care of their priority one and two projects. When we transfer money to SCS, the kinds of projects they do are really soil erosion and sedimentation control-type projects which are priority three projects. We would much prefer to allow the states to deal with reclamation problems according to their own priorities rather than through the SCS.

Mr. YATES. Are the projects ever going to get done?

Mr. CHRISTENSEN. Of the priority three through six projects, very few of those will be done under the current AML program.

Mr. YATES. Very few. Does that mean they are not very important?

Mr. CHRISTENSEN. No, sir. The Bureau of Mines, several years ago, identified a need of $30 billion to take care of abandoned mine land work. We assume that through 1992, the fund will actually accrue $3.5 million so we will be lucky to do 10 to 15 percent of the potential projects.

Mr. YATES. Do you think the committee should provide more funding for it? Are the projects worth it?

Mr. CHRISTENSEN. Certainly the projects are worth it. I believe, by 1988, we would like to see an increase in the amount of AML funds available for projects.

Mr. YATES. I guess the committee will have to review that. It is very tough with Gramm-Rudman though, isn't it? Did you ask for funds for this under your budget to OMB?

Mr. CHRISTENSEN. As far as AML?

Mr. YATES. As far as RAMP is concerned.

Mr. CHRISTENSEN. No, sir. The only funds we requested for RAMP was to finish out any projects that have not been completed.

REQUIREMENTS TO COMPLETE RAMP PROJECTS

Mr. YATES. Well, you wanted $4 million for the rural abandoned mine lands program. OMB gave you $800,000.

Mr. CHRISTENSEN. Yes. What that does is allow for staff costs that would be applied to those particular projects that have not been finished.

Mr. YATES. You thought these projects were important enough to ask OMB for the money, didn't you?

Mr. CHRISTENSEN. I am not sure on the history of that, if we actually requested it or if some of that was written in. We are talking about for 1987?

Mr. YATES. Yes.

Mr. CHRISTENSEN. Yes. We felt like once the projects are started they ought to be completed, yes, sir.

Mr. YATES. How much money do you need to complete them?

Mr. CHRISTENSEN. I believe the $800,000 will complete the projects that are outstanding through the SCS.

Mr. YATES. Why did you ask for $4 million then?

Mr. CHRISTENSEN. For 1987?

Mr. YATES. Yes.

Mr. CULP. The difference was that our initial proposal included staff costs for the Soil Conservation Service. The decision at the OMB level was that SCS should provide the staff resources to finish out the projects out of their own budget. So that took out the staff costs. We were only left with that $800,000 which was money for amendments and modifications of contracts.

Mr. YATES. Well now, you have $800,000. Was the remainder of the $4 million all staff costs?

Mr. CULP. Yes.

Mr. YATES. Does that mean that the $800,000 will permit you to complete the projects then, because the SCS will provide the staff?

Mr. CHRISTENSEN. Yes, sir. This is to finish these construction projects that are outstanding, construction changes, modifications, that kind of thing.

Mr. **Yates**. In a previous appropriation, you asked for and received $9.4 million for that purpose. That was not for staff, was it?

Mr. **Christensen**. No.

Mr. **Yates**. Then what this is, is $4 million for staff. Why the difference?

Mr. **Christensen**. I believe what we have here is simply a change of philosophy on what is the best way to spend AML funds.

Mr. **Yates**. You have had a change of philosophy and what that means is that OMB did not want to give you the money to complete it.

Mr. **Christensen**. No, sir.

Mr. **Yates**. What is the change in philosophy?

Mr. **Christensen**. The overall change in philosophy, I believe, is that, while the agency originally was fairly supportive of doing projects through RAMP, now the best way to carry out abandoned mine land work, the high priority work, is through the state programs.

IMPACT OF GRAMM-RUDMAN-HOLLINGS

Mr. **Yates**. We are going to have questions for the record that we are going to ask you to answer. Mr. Regula has questions and there may be other members of the committee who have questions for the record.

We ought to put into the record at this point the detailed statement relating to the Gramm-Rudman-Hollings sequestration.

[The information follows:]

Department of the Interior
Detail Statement
FY 1986 Gramm-Rudman-Hollings Sequestrations
(P.L. 99-177)

OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT

Appropriations: Regulation and Technology (FY 1986 BUDGET STRUCTURE)

(Dollars in Thousands)

Activity/Subactivity/ Program Element	FY 1986 Enacted To Date	P.L. 99-177 Reduction	FY 1986 Adjusted Appropriation	Impact
State Regulatory Program Grants	36,977	-1,590	35,387	May cause State regulatory agencies to defer procurement of equipment and vehicles and reduce some planned travel. Non-critical vacant or new positions may be left unfilled.
Federal Regulatory Programs				
Program Operations and Inspection				
-State Programs	3,493	-120	3,373	Vacancies left unfilled.
-Regulation and Inspection	22,564	-865	21,699	Bond forfeiture advance funding deleted, ADP software enhancement delayed and planned travel reduced.
-Small Operator Assistance	325		325	
-Federally Administered Programs	570	-180	390	Phasing down of extra Oklahoma staff as State resumes full primacy.
-Federal Lands Programs	380		380	
-Indian Lands Prgrams	250		250	
Subtotal, Program Operations and Inspection	27,582	-1,165	26,417	

(Dollars in Thousands)

Activity/Subactivity/ Program Element	FY 1986 Enacted To Date	P.L. 99-177 Reduction	FY 1986 Adjusted Appropriation	Impact
-Technical Services and Research				
-Technical advice and assistance on regulatory program operational problems	2,250	-40	2,210	Reduction in planned travel.
-Technical support for State program evaluation	560	-36	524	Reduction in planned travel.
-Judicial and administrative proceedings	425		425	
-Technical studies and applied research	1,300	-400	900	Reduction in research and technical studies.
-Experimental practices program	340		340	
-Technical Publications	160		160	
-Socio-Economic Studies	290		290	
-Small Operator Technical Assistance	280		280	
-Outcrop and Underground Fire Control	105		105	
-Mine Plan Review/NEPA	7,230	- 80	7,150	Partial reduction in contract support services.
Subtotal, Technical Services and Research	12,940	-556	12,384	
TOTAL, Federal Regulatory Programs	40,522	-1,721	38,801	

(Dollars in Thousands)

Activity/Subactivity/ Program Element	FY 1986 Enacted To Date	P.L. 99-177 Reduction	FY 1986 Adjusted Appropriation	Impact
General Administration				
Offices of the Director and Deputy Director	1,550	-67	1,483	Vacant positions left unfilled and planned travel reduced.
Office of the Assistant Director for Program Operations and Inspection	300		300	
Office of the Assistant Director for Technical Services and Research	226		226	
Office of the Assistant Director for Finance and Accounting	700		700	
Office of the Assistant Director for Budget and Administration	2,840	-87	2,753	Vacant positions left unfilled and travel reduced.
General Services	2,027	-175	1,852	General administrative support services reduced.
Total, General Administration	7,643	-329	7,314	
TOTAL APPROPRIATION: Regulation and Technology	85,142	-3,640	81,502	

Department of the Interior
Detail Statement
FY 1986 Gramm-Rudman-Hollings Sequestrations
(P.L. 99-177)

OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT

Appropriation: Abandoned Mine Reclamation Fund (FY 1986 BUDGET STRUCTURE)

(Dollars in Thousands)

Activity/Subactivity/ Program Element	FY 1986 Enacted To Date	P.L. 99-177 Reduction	FY 1986 Adjusted Appropriation	Impact
State Reclamation Program Grants	156,156	-6,715	149,441	Reduced grants to States for new reclamation projects may require delay of project starts until future years and/or revising scopes of work.
Federal Reclamation Programs				
Reclamation Fund Management				
-Reclamation Program Evaluation	800	-11	789	An across-the-board 1.4 percent reduction to all operating accounts.
-State Program Assistance	2,479	-35	2,444	An across-the-board 1.4 percent reduction to all operating accounts.
-National Inventory Maintenance	440	-6	434	An across-the-board 1.4 percent reduction to all operating accounts.
-Fee Compliance	3,138	-243	2,895	Cancellation of new initiative to contract AML fee audits and other across-the-board reductions.
Subtotal, Reclamation Fund Management	6,857	-295	6,562	

(Dollars in Thousands)

Activity/Subactivity/ Program Element	FY 1986 Enacted To Date	P.L. 99-177 Reduction	FY 1986 Adjusted Appropriation	Impact
Federal Reclamation Projects				
-Emergency Projects	15,750		15,750	
-Non-program State and Tribal Projects	3,900	-625	3,275	Reduction in federal non-emergency reclamation project funding. Prior-year funds allow for no reductions in projects.
-Research	1,900	-500	1,400	AML reclamation research reduced.
-Operations	4,613		4,613	
Subtotal, Federal Reclamation Projects	26,163	-1,125	25,038	
Rural Abandoned Mine Program	9,424	-405	9,019	Across-the-board reduction to new project starts and in technical assistance.
TOTAL, Federal Reclamation Programs	42,444	-1,825	40,619	
Small Operators Assistance Payments	3,082	-133	2,949	Reduction in cooperative agreement funding to States and laboratories. No effect due to available unobligated balances.

(Dollars in Thousands)

Activity/Subactivity/ Program Element	FY 1986 Enacted To Date	P.L. 99-177 Reduction	FY 1986 Adjusted Appropriation	Impact
General Administration				
Office of the Director and Deputy Director				
Office of the Assistant Director for Program Operations and Inspection				
Office of the Assistant Director for Technical Services and Research				
Office of the Assistant Director for Finance and Accounting	475	-26	449	Vacant position left unfilled.
Office of the Assistant Director for Budget and Administration	1,160	-110	1,050	Support costs such as postage and messenger services reduced.
General Services	2,824	- 55	2,769	Small support service contracts reduced.
TOTAL, General Administration	4,459	-191	4,268	
TOTAL APPROPRIATION:				
Abandoned Mine Reclamation Fund	206,141	-8,864	197,277	

Mr. YATES. Incidentally, did the 4.3 percent sequestration hurt you?

Mr. CHRISTENSEN. Mr. Chairman, we did tighten the belt in certain areas. We will be able to continue on with the program.

Mr. YATES. You look pretty thin. You did tighten your belt. How were you hurt?

Mr. CHRISTENSEN. We have handled our 4.3 percent cut in several areas. One is, obviously, to reduce travel costs and internal training costs. Also, every time a vacancy occurs in the agency, it is looked at very carefully to determine when and if it should be filled. Right now we have several positions that are frozen through the 1986 budget year.

Mr. YATES. You do not look forward to the 1987 sequestration, do you?

Mr. CHRISTENSEN. We are hoping Congress will go along with the President's budget.

Mr. YATES. It would be the worse thing for the country.

What about the troubleshooters for which we put in money last year? Are you hiring them?

Mr. CHRISTENSEN. I understand those are the positions we were given for Oklahoma.

Mr. YATES. And other states too.

Mr. CHRISTENSEN. Those positions were used in Oklahoma and at the end of this fiscal year we should not need those particular positions in Oklahoma anymore.

Mr. YATES. How many are on board right now?

Mr. CHRISTENSEN. I believe, in the Muskogee office, we have four or five, Mr. Chairman.

Mr. YATES. Do you want to have a caucus and agree on a number?

Mr. CHRISTENSEN. Four people are actually there.

Mr. YATES. Four out of ten. Is that adequate?

Mr. CHRISTENSEN. To finish out what we need to do with the state, yes.

Mr. YATES. What about other states? Don't you need troubleshooters for other states or don't you have any troubles in other states?

Mr. CHRISTENSEN. Four of these positions we have frozen because of the Gramm-Rudman cuts.

Mr. YATES. Why did you freeze these positions?

Mr. CHRISTENSEN. Right now they are not needed in Oklahoma as we phase out our work there. So those are the ones we vacate.

Mr. YATES. Your annual report shows that you have troubles in other states.

Mr. CHRISTENSEN. We do have troubles in other states, and we are going to try to handle those with people we have on board. To be able to deal with the Gramm-Rudman cuts, we have had to freeze positions that are vacant. What we are trying to avoid are RIFs or furloughs, because that kind of action would affect us even worse.

Mr. YATES. Kind of interesting. Troubleshooters, I think, are taking care of basic problems that you find in the operation of the—why do you freeze those instead of freezing your external affairs staff or your congressional liaison staff or your public affairs staff?

Mr. **Christensen**. Those are staff people we have in headquarters; and if there are positions that appear vacant in those, they would be examined along with any other vacancies.

EXTERNAL AFFAIRS STAFF

Mr. **Yates**. You are not going to put anyone else on board there. How many people do you have in external affairs?

Mr. **Christensen**. They have four people.

Mr. **Yates**. Do you propose to handle another one?

Mr. **Christensen**. No, that would be it. I am sorry. Five. There are five people.

Mr. **Yates**. You have already got the fifth. When did you hire the fifth?

Mr. **Christensen**. They have not all been hired.

Mr. **Yates**. They have not all been hired?

Mr. **Christensen**. Excuse me. I am getting them mixed up with another office.

Mr. **Yates**. I am trying to find out how many people you have on board.

Mr. **Christensen**. There are five people in external affairs.

Mr. **Yates**. For five FTEs?

Mr. **Christensen**. The same. Five FTEs or five people.

Mr. **Yates**. You had four. When did the fifth come aboard?

Mr. **Christensen**. She is coming on board.

Mr. **Yates**. Why are you hiring her? You talked about a freeze and no RIFs. Now why are you hiring? I thought there was a freeze on hiring.

Mr. **Christensen**. Positions in the Bureau have been looked at that are most needed and the ones we can live most easily without.

Mr. **Yates**. When is she coming aboard? What will that person do?

Mr. **Christensen**. The external affairs office is to help us coordinate activities with our client groups such as the states, industry, and environmental groups.

Mr. **Yates**. Why don't you delay that hiring and put a troubleshooter on instead, which also has the same function of coordinating activities with states?

Mr. **Christensen**. That is right, but some of the functions these people will be doing are very critical to the agency actually getting back on its feet.

Mr. **Yates**. Like what?

Mr. **Christensen**. For instance, in the entire area of regulatory development, we want to make sure that we have all of the interested parties involved. We have over 60 complex rule makings to do.

Mr. **Yates**. Who are you putting aboard? When is that person coming aboard?

Mr. **Christensen**. It would be within the next month.

Mr. **Yates**. When did you decide to hire her?

Mr. **Christensen**. About a month ago?

Mr. **Yates**. After Gramm-Rudman?

Mr. CHRISTENSEN. Yes, sir.

Mr. YATES. What is her background?

Mr. CHRISTENSEN. She worked with a coal company in Montana.

Mr. YATES. What about the use of your eastern and western technical directors for that function?

Mr. CHRISTENSEN. They can do that to a point, but that is not really what their function is. They are more concerned with about day-to-day field operation activities.

Mr. YATES. They don't work with the states at all, do they?

Mr. CHRISTENSEN. They certainly do.

Mr. YATES. Wouldn't it be easier not to hire a person?

Mr. CHRISTENSEN. They will not be working in the kinds of areas we are talking about in the Washington office.

Mr. YATES. This is the Washington office.

Mr. CHRISTENSEN. That is right.

Mr. YATES. In other words, your Washington office staff is not big enough; is that right?

Mr. CHRISTENSEN. There are some areas in the Washington office which we would like to decentralize.

Mr. YATES. Will you put into the record a list of the people you have in your external affairs staff.

[The information follows:]

EXTERNAL AFFAIRS STAFF

Name	Position	Grade
1. ———	Vacant	—
2. Max Rogers	Special assistant	GM–14
3. Bruce Michel	Staff assistant	GS–13
4. Joseph Jacoby	Staff assistant	GS–13
5. Olivia Crump	Secretary	GS–7

CONGRESSIONAL LIAISON STAFF

Mr. YATES. Now tell me about your congressional liaison staff. How many people do you have there?

Mr. CHRISTENSEN. Four.

Mr. YATES. When did you hire the fourth?

Mr. CHRISTENSEN. The fourth is currently being brought on board.

Mr. YATES. What happens to Gramm-Rudman? You are bringing extra people on board.

Mr. CHRISTENSEN. Hiring this particular person has been in the works for some considerable time.

Mr. YATES. You hurried it up for this?

Mr. CHRISTENSEN. No, sir.

Mr. YATES. What will that person do?

Mr. CHRISTENSEN. The congressional liaison staff helps us prepare for these kinds of meetings.

Mr. YATES. What kinds of meetings?

Mr. CHRISTENSEN. These hearings, Mr. Chairman.

Mr. YATES. What do the three who were on board before this do?

Mr. CHRISTENSEN. As you can imagine, an agency as controversial as the Office of Surface Mining generates considerable amounts of congressional interest, particularly from constituent groups.

Mr. YATES. Where will this congressional liaison person come from?

Mr. CHRISTENSEN. I am not sure. I am not sure of her background. I can get you that information.

Mr. YATES. Who hired her? Is it him or her?

Mr. CHRISTENSEN. It is a her.

Mr. YATES. It is the second her.

Mr. CHRISTENSEN. The head of the congressional liaison staff is also a her.

Mr. YATES. Who hired the second her?

Mr. CHRISTENSEN. The head of the congressional liaison staff.

Mr. YATES. But with your approval?

Mr. CHRISTENSEN. Yes, sir.

Mr. YATES. How did you happen to approve it? Who told you to approve it?

Mr. CHRISTENSEN. No one told me to approve it. I, as director, determined it was necessary to have in that office another person, so I said go ahead and hire this person.

PUBLIC AFFAIRS STAFF

Mr. YATES. How many people do you have on the public affairs staff?

Mr. CHRISTENSEN. Public affairs has gone from six to nine because three people, in a different part of the agency, were transferred there.

Mr. YATES. Do you have OMB's approval for this?

Mr. CHRISTENSEN. Yes, sir.

Mr. YATES. What do the public affairs people do?

Mr. CHRISTENSEN. They take care of all of our press releases and other activities that deal with the press. They also deal with all of our publication activities.

Mr. YATES. Are these temporary employees until the next committee bill?

Mr. CHRISTENSEN. These are full-time employees as of right now. The other major activity they do are the annual reports to Congress.

Mr. YATES. Who does? Public affairs?

Mr. CHRISTENSEN. Public affairs helps put those together.

Mr. YATES. How recently did you hire people for public affairs?

Mr. CHRISTENSEN. The most recent was several months ago. In December, one person was added into that office.

Mr. YATES. Why don't you put these people into your troubleshooters rather than on external affairs and congressional liaison and public affairs?

Mr. CHRISTENSEN. The two people or three people we have hired?

Mr. YATES. Yes.

Mr. CHRISTENSEN. It was just a matter of determining where the needs of the agency were, and these particular positions were needed.

Mr. **Yates**. Well, in other words, these are more important than dealing with your trouble areas.

Mr. **Christensen**. To say they are more important than other areas is difficult to do. We have a lot of functions to do and each area has to have adequate people.

Mr. **Yates**. Isn't it kind of surprising in view of the strictures of Gramm-Rudman you are hiring people for these spots?

Mr. **Christensen**. We are not hiring a lot of people.

Mr. **Yates**. But you are hiring for the most important areas, aren't you?

Mr. **Christensen**. We are hiring people where the need is, yes.

Mr. **Yates**. When did you decide you needed to expand those operations?

Mr. **Christensen**. The decision was made many months ago on exactly how many people we needed in each of those areas. It has taken us a while to actually do the hiring.

Mr. **Yates**. Are these political people you are hiring?

Mr. **Christensen**. Several of them are, but not all of them, no.

Mr. **Yates**. I mean the ones you just hired; do they have political backgrounds?

Mr. **Christensen**. Yes.

Mr. **Yates**. Gramm-Rudman, I take it, does not apply to political hiring then, does it?

Mr. **Christensen**. I would not say that, Mr. Chairman.

Mr. **Yates**. Well, I would. All right. We have questions we will give you. We ask you to answer them for the record. Thank you very much.

Mr. **Christensen**. Thank you, Mr. Chairman.

[The questions and answers for the record follow:]

Additional Committee Questions

Incentives for Primacy

1. Question: The budget justification on page 1 states that "OSMRE's program provides distinct incentives for States to maintain and improve regulatory and reclamation program capabilities." Discuss what these "incentives" are and how they are different under Mr. Christensen.

Answer: The specific incentives provided by OSMRE for States to maintain and improve regulatory and reclamation program capabilities include increased funding for regulatory grants, expanded training opportunities for State personnel, and improved technical assistance from OSMRE. The requested grant level for Fiscal Year 1987 is $45.1 million, an increase of $8.1 million over the Fiscal Year 1986 adjusted appropriation. With this increase and the matching funds provided by States, program improvements identified through OSMRE's annual program evaluations will be carried out. Improvements will be made in the areas of inspection and enforcement, permitting, and through hiring additional State personnel. The comprehensive training opportunities proposed in the budget for State and Federal personnel will complement the increased financial assistance to the States.

2. Question: How are these "incentives" different from those discussed in Fiscal Year 1986 in response to a similar Question for the Record by the Committee?

Answer: The Fiscal Year 1987 incentives of increased grants and training programs surpass the Fiscal Year 1986 level in requested funding levels and scope of application. The Fiscal Year 1987 proposed grant increase over Fiscal Year 1986 is $8.1 million, compared to the $1.3 million increase of Fiscal Year 1986 over Fiscal Year 1985. With regard to training activities, the new organizational structure at OSMRE reflects a committment to training activities in that a distinct training office has been established to administer this priority area. This increased focus on training will include extensive curricula developed by OSMRE in concert with States, industry, academia, and other interested and qualified parties. These courses will be available to both Federal and State personnel to expand and improve skills and expertise in areas such as inspection and enforcement, permitting, environmental safety, and reclamation technology.

3. Question: The justification further states that "OSMRE is proposing significant initiatives that involve major reallocations of funds and personnel". Provide the Committee an overview of these proposals.

Answer: The major initiatives reflected in the 1987 budget for OSMRE include: (1) a significant increase in State regulatory program grants ($8.1 million) which will provide support to States having primacy under SMCRA; (2) an increase of $2.75 million to support a major expansion of training opportunities for State, Indian, and Federal technical and managerial personnel; (3) an increase of $2.4 million in OSMRE systems development activities to design an integrated management information system for OSMRE Title IV and Title V activities; and (4) an increase of $1.4 million to support the collection of civil penalties and augment fee compliance activities by implementing the Applicant Violator System (AVS).

These initiatives are oriented to improve OSMRE's ability to administer SMCRA, enhance the ability of the States to maintain their primacy programs, and enable OSMRE to maintain increasingly large amounts of complex data in a cost efficient and totally useful environment.

4. Question: How can these "incentives" be "consistent" with the "management action plan" when it is not developed yet?

Answer: On November 25, 1985, OSMRE issued an advance draft of its Management Action Plan entitled "A Plan for Action". The initiatives mentioned in response to the above question were identified in that advance draft. However, initial planning had occurred prior to the preparation of the Management Action Plan.

5. Question: What is the status of the development of the management action plan?

Answer: A revised draft of the Management Action Plan is scheduled to be published in April 1986.

State Regulatory Program Grants

6. Question: OSMRE is proposing an increase of $8,133,000 over the Fiscal Year 1986 appropriation and $9,723,000 over the 1986 adjusted level for State Regulatory Program Grants. The justification on page 11 states that "States will match the increase in accordance with program requirements." Discuss what this match will entail.

Answer: The funding available for State regulatory grants has remained steady for several years. OSMRE believes that to encourage and support primacy, a substantial increase in the amount of funds available for regulatory grants is needed. Hence, the Fiscal Year 1987 budget reflects an increase of over $8 million. States have indicated their support for this initiative and have indicated that State funding is available to match the increase in Federal funding. Under the program, States must be able to match Federal funding on not less than a 50-50 basis.

7. Question: How will these funds be utilized?

Answer: These funds will be used for a variety of purposes. A number of States are proposing increased inspection programs to meet and maintain required inspection frequencies. Other States will use funds to support long overdue salary increments for their employees or to hire more technical staff. In addition, the increase will support costs associated with State participation in OSMRE's Applicant Violator System (AVS), and will address needs cited in OSMRE's oversight evaluations.

8. Question: On Page 30 of the justification it states that part of the increase will fund costs incurred by States to participate in the Applicator Violator System. Discuss what these costs are.

Answer: State costs associated with AVS include data entry, data validation, maintenance of ADP equipment, and resources necessary for quality assurance in data validation related to individual permit blocking actions.

9. Question: Specifically identify how this increase will augment State programs.

Answer: As indicated in response to a previous question, these funds will be used primarily to enhance existing State programs to make them more effective and to increase the efficiency and effectiveness of State primacy.

Evaluation of State Programs

10. Question: The justification on page 26 states that "States participate in evaluation of their programs through continuing discussions with OSMRE". How do States participate in their own evaluations?

Answer: OSMRE's annual oversight evaluations do not provide for active participation by a State in the review of its program. However, OSMRE is committed to a policy of continuing dialogue with the States during the evaluation process in order to create a better understanding of the State program and to establish a climate where identified problems and solutions are addressed. While the State is not represented on the evaluation team, it is provided the opportunity to discuss with OSMRE reviewers the evaluation procedures, program areas to be evaluated and proposed schedule for evaluations and mine site visits. In addition, the State is provided an opportunity to review the draft report and provide comments to OSMRE. OSMRE revises the report as appropriate to correct erroneous information and reflect State actions or positions on identified issues. After the final evaluation report is issued, OSMRE provides the State an additional opportunity to submit comments. The State's comments on the final evaluation report are attached to the report when OSMRE submits it to Congress.

11. Question: On page 35 of the justification it states that the "State has the opportunity to review and comment on any findings and recommendations and its comments are considered before the final evaluation report is sent to the Director of OSMRE and subsequently to Congress. How does this allow for unbiased evaluations of the State by OSMRE?

Answer: While the States are provided an opportunity to submit comments to OSMRE on the draft evaluation report, OSMRE is not bound to revise the report if a State's comments are inappropriate. However, if a State's review of the OSMRE draft report identifies incorrect findings or information, OSMRE believes these matters should be corrected before submission of the final evaluation report to Congress. Although the States are provided an additional opportunity to submit comments on the final report, OSMRE does not revise the final report based on the State's comments but instead attaches the comments to the final report for submission to Congress. OSMRE does not believe that the opportunity for information exchange provided by these procedures biases the evaluation; instead it increases the accuracy of the evaluations by assuring that all relevant information is considered.

12. Question: In December 1985 the General Accounting Office released a report entitled, Surface Mining, Interior Department Oversight of State Permitting and Bonding Activities. This report states that "it is questionable whether the results of the permitting oversight reviews were giving OSMRE adequate assurance that State programs were in compliance with the act." Discuss this allegation and why Congress should have confidence in OSMRE's ability to review permits.

Answer: OSMRE has developed a detailed guidance document to direct OSMRE staff in conducting the Fiscal Year 1986 permitting oversight reviews. The guidance document formalizes procedures and ensures that all OSMRE staff will be conducting permitting reviews in accordance with the established guidance. The guidance document addresses many of the key concerns raised by GAO in its report on OSMRE's permitting oversight reviews. Among other things it accomplishes the following:

- clarifies the roles of OSMRE field offices, technical centers and headquarters staff in conducting the review of State permitting operations and ensures coordination between these bodies during the course of reviews;

- provides detailed guidance to team members responsible for planning evaluations with respect to the identification of permitting program areas to be evaluated and the selection of sample State permitting actions to be the subject of the review;

- provides detailed guidance to team members responsible for conducting permitting reviews with respect to the review of selected permit documents to assess their completeness and the technical adequacy of the State's permitting decisions; and

- clarifies the steps to be completed following the review including preparation of written findings and development of supporting documentation for findings made during the course of the OSMRE review.

The guidance for OSMRE's annual evaluation reports on State programs has been revised for the Fiscal Year 1986 evaluation period. It provides for State and OSMRE action plans and timetables for the resolution of all major deficiencies in a State's administration of its program which are identified by OSMRE.

Bond Adequacy

13. Question: The GAO report further states that OSMRE has not directed the technical centers to use OSMRE's procedures for determining bond adequacy in States where OSMRE is the primary regulatory authority, when performing bond oversight reviews for State regulated programs. Why has this been the standard operating procedure to date, and what is OSMRE doing to correct this deficiency?

Answer: OSMRE's Fiscal Year 1986 oversight guidance contains standard procedures for oversight teams to evaluate the adequacy of State bonds. The GAO criticism is based on OSMRE's oversight guidance for 1983 and 1984 which did not contain the detailed guidance now in use. The GAO report recognizes OSMRE's achievement in this area on page 40 where it states that the new procedures for determining adequacy of bonds "will require an evaluation of all bonds submitted with the permits selected for oversight review."

14. Question: How do the proposed guidelines address how bond adequacy for permits should be determined?

Answer: There are two OSMRE documents related to bond adequacy. One is the existing oversight guidance for evaluating State bonding procedures. The second is the proposed technical manual for calculating bond levels where OSMRE is the regulatory authority. The current oversight guidance requires OSMRE personnel to examine the State regulatory authority's bonding related documentation and determine whether the regulatory authority: (1) follows procedures in the approved State program; (2) makes independent bond estimates; (3) assumes third party or contractor reclamation; and (4) includes in bond levels allowance for equipment mobilization, engineering fees, and certain administrative costs.

The proposed OSMRE bond manual will use standard engineering cost estimating methods to calculate direct costs for each reclamation step (i.e., backfilling and grading, topsoil handling, and revegetation) and indirect costs for contractor overhead, contingencies, and engineering redesign.

15. Question: If the guidelines do not address this central question, why are they being considered?

Answer: The OSMRE 1986 oversight guidance addresses the question of bond adequacy. The proposed bond estimating technical manual addresses how bond levels should be calculated where OSMRE is the regulatory authority.

Conditions on State Programs

16. Question: Provide for the record those States with conditional approval including a brief description of the remaining conditions.

Answer: Of the 296 conditions of State program approval imposed by the Secretary, 276 have been satisfied by States and removed by the Secretary. The remaining 20 conditions to be satisfied by 7 States are described below. Material submitted by States to satisfy 3 of the remaining conditions is currently under review by OSMRE.

State and Condition(s)

COLORADO - 45 conditions imposed; 6 conditions remaining:

—two provisions for revegetation success standards

--procedures for processing permit renewal applications

—provisions for citizen suits

—provisions for award of attorney's fees

—provisions for subsidence protection to exclude priority of right exemption

ILLINOIS - 5 conditions imposed; 2 conditions remaining:

-provisions for covering coal seam with minimum of ten meters of water

—provisions for sedimentation ponds

NEW MEXICO - 12 conditions imposed; 1 condition remaining:

—provisions for award of attorney's fees

OHIO - 11 conditions imposed; 1 condition remaining:

—provisions for alternative bonding

PENNSYLVANIA - 11 conditions imposed; 3 conditions remaining:

—provisions for prime farmland

—provisions for award of attorney's fees

—provisions for bond release hearing

WEST VIRGINIA - 45 conditions imposed; 6 conditions remaining:

--provisions for augering on previously mined areas

--provisions for coal refuse

—provisions for applicant list in permit application of all violation notices received by the applicant or persons controlled by or under common control with the applicant

--provisions for coal exploration applications information on endangered species

—provisions for revegetation success standards

State and Condition(s)

—provisions for issuance of show cause orders

WYOMING - 7 conditions imposed; 1 condition remaining:

—provisions for award of attorney's fees

Approach to Oversight

17. Question: The justification on page 39 states that sampling inspections may also identify trends requiring special inspections or case studies, thereby allowing OSMRE to focus its oversight to key areas where program deficiencies exist. Likewise, the Management Action Plan presently being formulated proposed a "graduated Federal oversight approach" which would involve a diminished Federal role in States with superior performance and a greater Federal role in State's with poorer performance. How does such an approach not violate the provisions in the Surface Mining Act requiring Federal inspections to ensure compliance with the Act?

Answer: This initiative would not violate the provisions of SMCRA. Under the Act, OSMRE is required to conduct sufficient inspections of coal mining operations to ensure whether the State is in compliance with Section 201(c)(1) of SMCRA. In addition, Section 521(a) requires Federal inspection and, if necessary, Federal enforcement action where the Secretary has reason to believe that a State has failed to take proper action within 10 days after notification by the Secretary's representative. However, the total number of inspections per State can vary according to how well each State performs under the Act, since performance can indicate the level of effort OSMRE needs to verify compliance. Inspection activity based on performance allows resources to be concentrated in areas experiencing problems.

18. Question: How does this approach ensure adequate State enforcement?

Answer: OSMRE's responsibility is to ensure compliance with the Act. The resources available to meet this objective are not unlimited; therefore, our goal is to direct the resources to problems or to States that are not meeting their primacy responsibilities.

States that demonstrate superior performance derive the benefit of reduced Federal oversight. The reduced oversight allows OSMRE to concentrate its resources in States that have demonstrated program deficiencies. This approach is expected to motivate States to improve performance and thereby reduce Federal presence in their activities.

Conversely, it should be noted that the reverse is true. Should a State demonstrate poor performance, the level of Federal oversight will increase commensurate with the problem. This graduated response facilitates efficient allocation of OSMRE resources to place the greatest emphasis where problems occur.

19. Question: OSMRE is developing options to allow a State to request a review of an OSMRE inspector's action in cases where that inspector has stated that the State regulatory authority is failing in enforcement. Why is this necessary?

Answer: The concept concerns the options a State may have in response to an OSMRE-issued ten day notice with which it disagrees. This initiative, proposed in the November 25, 1985, draft of OSMRE's Management Action Plan, is based on the view that many of the decisions made during the course of implementing SMCRA represent the exercise of discretionary judgment by the regulatory authority.

The concept outlined in the draft Management Action Plan, while not addressed in detail, envisioned a review process that would take place at a higher level of OSMRE management than the OSMRE field inspector before determining whether Federal enforcement action should be taken against an operator. This issue will be addressed further as part of a review of oversight policy which will include public input.

20. Question: How many complaints has OSMRE had from States on this matter?

Answer: The actual number of complaints OSMRE has received by States on this matter is not known; however the degree of concern has been sufficient to require that the issue be addressed in the advance draft of the Management Action Plan.

21. Question: Where in the field is it envisioned that a "pilot test of a selected option" will be implemented?

Answer: No plans have been made at this time to conduct a "pilot test" of this concept.

Bond Forfeiture Provisions

22. Question: In Fiscal Year 1987 OSMRE is proposing language which will provide an indefinite no year appropriation so that OSMRE, as the regulatory authority, can perform reclamation in cases where bond forfeitures have occurred. Who assisted in drafting this language?

Answer: OSMRE received assistance in drafting this language from the Department Budget Office, the Office of the Solicitor and OMB, which was assisted by the Department of the Treasury. This language should correct the technical problems encountered with last year's action.

23. Question: What confidence do you have that this language will accomplish your objective?

Answer: OSMRE has worked with the Department Budget Office, the Office of the Solicitor, OMB and Treasury on the proposed language and we anticipate no problems.

Two-Acre Enforcement

24. Question: During the hearing before the Subcommittee on February 25, 1986 for outside witnesses, L. Thomas Galloway stated that "(t)o date, OSMRE has taken only a handful of enforcement actions in Virginia, and almost none in Kentucky. Yet despite the fact that almost no enforcement action has been taken against the almost 5,000 persons who have claimed the exemption, OSMRE has proposed about a 20 percent cut in funding for Fiscal Year 1987." Discuss Mr. Galloway's comments and why OSMRE is proposing a $393,000 reduction and a reduction of 1 FTE in this area.

Answer: The parties in the two-acre litigation Save Our Cumberland Mountains, Inc. v. Hodel entered into a comprehensive settlement agreement toward addressing two-acre abuse issues. The first quarterly report was filed with the Court on schedule on December 6, 1985. In contrast to Mr. Galloway's assertions, we believe that distinct progress is being made.

The Kentucky inventory contains 2,045 two-acre permanent program sites. Additionally, the State, under a grant condition, has inspected approximately 2,000 sites to date. OSMRE has conducted oversight inspections of 213 of the sites OSMRE has issued 56 ten-day notices to Kentucky, 16 cessation orders to permittees, and referred 11 cases for Federal court action. 679 referrals have been made to OSMRE's Fee Compliance Branch for collection of AML fees.

The Virginia inventory contains 1,518 sites. This number represents 1,818 companies operating on 1,518 distinct sites. Ninety percent of the Virginia sites are underground mines where surface disturbance is believed to be in excess of two acres. To date, OSMRE has inspected 134 sites. The inspections have resulted in the issuance of 16 notices of violation, 5 cessation orders, and 26 ten-day notices to Virginia. Also, 62 referrals have been made for collection of AML fees.

The Tennessee inventory consists of 112 sites. A complete inspection has been made by OSMRE of the Tennessee inventory sites. OSMRE believes that approximately 70 of the 112 sites are eligible for removal from the inventory for the following reasons: duplicate sites, non-existent or non-mining sites, less than two-acre sites. The parties are presently engaged in reviewing these sites for removal determinations. The inspections have resulted in the issuance of two notices of violation and two cessation orders.

The reduction in these activities in Fiscal Year 1987 reflects non-recurring costs associated with the program's initial start-up. This includes establishing offices, contracts for aerial inspections, development of the inventory data base and communication needs. As a consequence, program maintenance costs will be lower in these areas in Fiscal Year 1987 and OSMRE can still maintain its increased level of inspection effort.

25. Question: Mr. Galloway states that the $393,000 should be used to increase the number of two-acre Federal personnel in Kentucky from 12 to 18. Discuss the feasibility of this proposal.

Answer: The Fiscal Year 1987 proposed level of resources and staff is more than adequate to continue the same level of work throughout the year. This is a pace that would exceed the time requirements contained in the settlement agreement. In an effort to address expeditiously the above mentioned and other issues contained in the agreement, OSMRE expects to complete work in this area by the end of Fiscal Year 1987. The requested resources are sufficient to complete the effort, and any additional FTEs are not needed.

As mentioned previously, two-acre activities in these States, particularly in Kentucky, have proceeded at a pace in advance of time requirements contained in the settlement agreement. Consequently, there appears to be no reason to increase staff in this area.

Bond Forfeiture and Release Problems

26. Question: What steps is OSMRE taking to establish an inventory of inspectable units, which would include, but not be limited to, bond forfeiture and bond release sites?

Answer: OSMRE Field Offices maintain lists of inspectable units that contain basic information about each minesite and the status of bond release and forfeiture actions. In addition, OSMRE Headquarters maintains a national list by State.

27. Question: What resources and manpower would be needed to develop such an inventory?

Answer: Substantial resources would be required and such an undertaking would have to be weighed against other OSMRE programs and priorities. It is estimated that implementation of a standard inspectable units list format would require four to six months and some private contracting. Furthermore, this would not be necessary because OSMRE field offices already maintain lists of inspectable units as mentioned previously.

28. Question: Is this information not critical to OSMRE in respect to making data in the Applicant/Violator computer system as complete as possible?

Answer: The Applicant Violator System will not contain site specific information. It will contain only information relating to ownership and control of mines by individuals and corporations, associated civil penalty and violation data and unpaid AML fees.

Training Initiative

29. Question: OSMRE is proposing an increase of $2,750,000 over the 1987 base for technical services, training and research. Discuss the need for an increase of this magnitude and how OSMRE proposes to utilize these funds, as your opening statement describes, "for an ambitious and comprehensive initiative"?

Answer: OSMRE believes that an ambitious and comprehensive technical training program is needed to provide the breadth and depth of understanding of program requirements necessary for Federal and State surface mining regulatory personnel to make sound judgments. Inspectors, permitting specialists, bonding specialists, assessment and conference officers and the many other specialists, experts and generalists hired by OSMRE and the State regulatory authorities are drawn from many academic disciplines. Yet they are all called upon to have a working knowledge of the inter-relationship of these disciplines. For example, knowledge of engineering, agronomy, cost analysis, underground and surface mining technology, water quality, and blasting technology is necessary to be able to inspect a mine site or assess a violation. Since it is not possible to develop a person with such "holistic" skills, OSMRE believes that it is necessary to provide the training that will augment the skills of those individuals who are implementing the program. Furthermore, changes in mining practices and increased knowledge of the environmental impacts of mining necessitate that skills be updated periodically. In this respect, the field of surface mining regulation is similar to other professions that require periodic postgraduate training.

OSMRE is holding a series of management seminars this summer for Federal and State supervisors and managers. The central theme in the seminar sessions will be the development of a comprehensive technical training program. The four-day agenda for the sessions will include topics ranging from communications and conflict management to regulatory and program evaluation. The information and ideas obtained through the seminars will be used by a joint OSMRE-State team which will develop a training plan to guide all technical and program training over the next five years.

30. Question: On page 62 of the justification it states that OSMRE proposes to "improve and maintain the technical skills and professionalism of Federal inspectors through appropriate education and training". Who will make the decisions regarding what education and training are necessary? What will be the sources of input for these decisions?

Answer: OSMRE has, over the past few years, conducted a survey of agency and State offices to determine what training needs must be met. The efforts have been well received by the States. Following the above mentioned management seminars, a team of OSMRE and State individuals will evaluate the results and develop a plan which sets forth short-and long-term goals, needs for different types of training, desirable media for training, etc.

31. Question: Why has OSMRE selected training as such a high priority in respect to the problems still plaguing the States concerning unreclaimed two-acre mine sites and bond forfeiture sites, for example?

Answer: Setting a high priority for training is not inconsistent with meeting responsibilities for resolving problems such as the two-acre and bond forfeiture problems. These are two program areas where substantial training is needed in order to accomplish our mandates. For example, seminars in surveying are presently being presented for responsible OSMRE field office staff. With this type of training, OSMRE could assure that all Federal and State inspectors and other staff specialists have the ability to help identify problems similar to the two-acre problem. Training is now offered for measuring success of vegetation for bond release and estimating costs for setting, modifying and releasing bonds. Additional training, however, is needed in these areas, especially as the mines permitted under the permanent program are nearing time for initial requests for bond release. Consequently, OSMRE believes that training is a cost-effective means of increasing State capabilities and thereby supporting primacy.

32. Question: In respect to the training of State inspectors, what input will OSMRE have to determine the needs of these individuals?

Answer: As noted above, States as well as OSMRE supervisors and managers will be involved in identifying what training is needed. In addition, the States have contributed to OSMRE training surveys and there is continuous dialogue between OSMRE technical training staff, State supervisors and managers.

33. Question: What increase in the number of training sessions and number of individuals served will this requested increase provide?

Answer: OSMRE held about 30 sessions of 5 courses in Fiscal Year 1985 and has scheduled about 40 sessions of 8 courses in Fiscal Year 1986. These are classroom sessions with students from several State and OSMRE Field Offices. This level of classroom instruction saturates the ability to fill the classes, while allowing an adequate number of staff to continue to perform regulatory responsibilities in the field. Therefore, the number of classroom sessions will remain at a level of 40-50 annually.

OSMRE has several other courses under development that could be presented in individual OSMRE field or State offices. These include technical writing, blasting and inspection, safety and basic inspection. Some of these will be combinations of self-directed programmed workbooks and video-tapes; others will be instructor-led.

OSMRE intends to continue to offer current courses and courses under development for several years. A few more classes will be developed and supplemented by advanced courses in the form of practical field experience, issue-oriented workshops and seminars. OSMRE is looking to the results of the management seminars to verify these intentions. Since it takes about 6-9 months to develop a course, OSMRE believes that the requested funds will provide for continuation of the present training program through Fiscal Year 1987 and Fiscal Year 1988 and the costs of development and presentation of several new courses, workshops and seminars that will begin in Fiscal Year 1987 and continue into Fiscal Year 1988 and Fiscal Year 1989.

Research Program

34. Question: OSMRE conducts technical studies and applied research which cover topics such as subsidence control, hydrologic studies, coal wastes and mine land reclamation/revegetation. How much of this work is contracted out to the Bureau of Mines research centers?

Answer: In 1984, a research project entitled "Fill Shear Strength Research" was contracted to the Bureau of Mines (BOM) Pittsburgh Research Center; in 1985, a research project on blasting was contracted to BOM's Twin City Research Center. In 1985, BOM completed two projects: one by the Denver Research Center on subsidence and the other by the Twin City Research Center on revegetation. These two projects were completed using prior year funds appropriated directly to BOM to support OSMRE's mining reclamation research program. A total of 16 research projects were funded in Fiscal Year 1984 and 10 in Fiscal Year 1985.

35. Question: Why shouldn't the Bureau of Mines be responsible for undertaking this research?

Answer: The research that OSMRE funds is applications-oriented, or site-specific or directly supportive of the development and implementation of specific regulations and standards under SMCRA. The BOM is oriented towards basic research which is broader in scope than reclamation.

Many of the agencies of the Department of the Interior are involved in research and development related to mining. OSMRE coordinates its activities with other Federal agencies to assure a coordinated approach that will maximize the benefit derived from research expenditures and avoid duplication.

The possibility of BOM management of certain technical functions now performed either in OSMRE Headquarters or at the Technical Centers is being considered. This arrangement would generally involve the technical library and some of the technical transfer activities. This would be an element of a more active reclamation technology initiative on the part of OSMRE and is an indication of the intent to involve more parties and interests in research and the dissemination of results.

36. Question: If this program were transferred to the Bureau of Mines what would the impact be on OSMRE personnel?

Answer: Currently, there are 8 FTEs devoted to the OSMRE technical studies and applied research programs nationwide. This includes the administration of the program as well as the technical project officers who directly oversee the individual projects to keep them within time and budget constraints. Should this program be transferred to BOM, OSMRE would need to retain 3 FTEs for liaison and program coordination. The remaining personnel would be transferred to BOM.

Authority to Approve Mine Plans

37. Question: The Management Action Plan proposed that authority to approve coal operator's mine plans be turned over to the Bureau of Land Management. Where is the staff currently approving coal operator's mine plans located?

Answer: Mine plans are currently approved by the Assistant Secretary, Lands and Minerals Management, Department of the Interior. Approval is based on the OSMRE Director's recommendations after review by OSMRE's Western Technical Center and Headquarters staff.

38. Question: On what basis was it concluded the BLM had the capability or expertise to take over this work?

Answer: The advance draft of OSMRE's Management Action Plan (MAP) contained a preliminary proposal for delegation of authority to approve mine plans to the Bureau of Land Management's State Directors. The purpose of the proposal was to elicit comment on this approach to streamline mine plan approval by eliminating the review of mine plans in Washington. The proposal assumed continued OSMRE technical support in the field and that BLM had the necessary capability to decide individual cases. However, the recommendation has since been withdrawn from the MAP.

39. Question: Since SMCRA does not allow delegation of this responsibility to the Director of OSMRE, why is it felt that the BLM State Director has this authority?

Answer: Approval of mine plans is a coal resource development decision for which OSMRE is specifically precluded under SMCRA. BLM is not responsible for SMCRA enforcement and delegation of this responsibility was considered appropriate.

40. Question: Why isn't there a potential conflict of interest if BLM is given this authority and BLM maintains its present role in coal leasing?

Answer: The conflict for OSMRE arises directly from its implementing statute, SMCRA, which specifically prohibits its involvement in the promotion of coal production. A principal aim of coal leasing, BLM's responsibility under the Mineral Leasing Act, is to encourage efficient coal resource production on Federal lands. Mine plan approval involves resource recovery and production planning which is compatible with BLM's responsibilities.

41. Question: What comments has OSMRE received on this initiative?

Answer: The proposal received extensive comments both for and against. Those who supported the recommendation felt that not only would the delegation accomplish the desired objective but it would also place decisionmaking closer to the parties most affected by the decision. The comments against the recommendation stressed the problems with implementing it, namely that the Bureau of Land Management would require technical support staff at many State offices as opposed to the consolidation review staff that presently exits in Washington.

42. Question: How is interagency coordination between OSMRE and BLM envisioned? On what basis has it been concluded that this approach would be more "streamlined"?

Answer: As noted above, the recommendation to delegate authority for mine plan approval to BLM State Directors has been withdrawn. Initially, it was anticipated that delegating approval for mine plans to BLM State Directors would expedite the process.

Assessments and Collections

43. Question: On page 67 of the justification it states that "OSMRE's current short term goal is to process 95 percent of the assessment case workload within the required 30 day time period. How is OSMRE meeting this goal?

Answer: OSMRE is meeting the assessment case workload goal by (1) reducing the substantial backlog of cases that had not been assessed , and (2) speeding up the assessment of current case load by requiring the field office to do a more thorough review of the case file before it is sent to Washington for review, which allows for a more rapid assessment process. OSMRE is in the process of automating the assessment function after which it will be decentralized to the field.

44. Question: On Sunday March 2, 1986, on the CBS network program 60 Minutes, Mr. Christensen told Mr. Reasoner that $150-$200 million, possibly more, in outstanding fines remained to be collected. Mr. Christensen proceeded to state that the government probably couldn't collect most of that. Explain that statement, especially in light of your Fiscal Year 1987 budget request for increased funding for assessments and collections.

Answer: We have now identified the unpaid delinquent civil penalty debt total as $156.4 million. Much of that debt is more than five years old and OSMRE believes that close to 80 percent will not be collected. At present, we have undertaken a multi-step process to improve our collection and debt management program. First, we are approaching recent debt on the assumption that the possibility of collection by attaching assets is more probable than for debt that is five or six years old. Second, we are employing the services of a professional collection agent who is attempting to collect all cases which have been assessed on which no penalty has been collected. If the collection agent fails to collect, the case is then turned over to the Solicitor's Office for legal action. Handling this huge backlog of debt has been one of the most critical problems facing OSMRE; on the assumption that a great part of it is uncollectible, OSMRE intends to place it in a dormant account status. The names of the debtors will also be placed in the AVS system where, if either as a company or an individual, they attempt to obtain a mining permit at any time in the future, their permit application will be blocked. It also is important to note that the collection agent's fees are based on a percentage of the amount owed that is then added to the amount due from the operator.

45. Question: Does Mr. Christensen feel that 60 Minutes was accurate in reporting that OSMRE was unfairly treating the Hardly Able Coal Company in Eastern Kentucky? Please comment.

Answer: The questions from "60 Minutes" covered a wide range of issues, including the Hardly Able Coal Company. Mr. Christensen's responses pointed out that State and OMSRE officials have been told repeatedly that the law is to be applied and the enforcement actions are to be done in a fair and even-handed manner regardless of who the operators are. OSMRE is not treating the Hardly Able Coal Company unfairly. Mr. Christensen told "60 Minutes" that companies that cut corners environmentally or do not perform their required reclamation are going to have problems with OSMRE and the State regulatory authorities, although the companies that obey the law, pay their abandoned mine land fees, and do a good job of reclamation will not have a problem. The broadcast itself made clear the company owners' position, which contrasts strongly with the OSMRE policy of fair, even-handed enforcement of the law. The Hardly Able Coal Company had violated certain provisions of SMCRA. OSMRE has not attempted to make an example of Hardly Able, but instead is implementing SMCRA fairly and equitably.

46. Question: The justification states that in respect to collections, "the performance of the collections process depends in large part on the ability of the AML and enforcement programs to provide incentives to operators to pay their debts before they become collection problems". Describe what these incentives are.

Answer: Among the principal incentives are reduction in the assessment if the operator abates the violation promptly and correctly. Also, under the Conference Officer Program approach, the operator has the option of settling the case at a reduced amount before additional fines are assessed.

Applicant Violator System

47. Question: In compliance with Judge Parker's order OSMRE awarded a contract for a new applicant/violator computer system on November 29, 1985. The project schedule for the Applicant/Violator System is very ambitious. Please describe the steps you are taking to allow its successful and timely completion without the possibility of cutting corners just to get the job done.

Answer: We believe that the schedule for the operation of the Applicant Violator System, while tight, can be met. The contract to develop the system was awarded on time as required by the Judge's order. The contractor is on schedule with the systems development and the data collection efforts. Additionally, the contractor has now surveyed all the States which will be providing permit data for the AVS. A larger number of States are automated than was originally anticipated, which will expedite the process of data collection. Further, the States have agreed to maintain data put into the AVS once the data from each State has been loaded. This will reduce the need for the contractor to go back to the State to obtain new or updated data once that State's data has been put into AVS. These activities indicate that OSMRE does not intend to cut corners just to get the job done.

48. Question: Specifically, what would be your reaction to the situation where one task, that other later tasks depend on, is not completed on time?

Answer: If a major milestone was missed upon which future major milestones were dependent, OSMRE would seek relief from Judge Parker in the form of an extension of time in which to complete the system.

49. Question: What are the major contingencies that may slow the system's timely completion?

Answer: Major contingencies that could impact the schedule include:

- failure to complete the systems development effort on time
- failure of the system software to work properly when tested
- failure of the contractor to complete data collection on time
- failure of the system to work properly on the Geonet network
- unexpected difficulties in data collection including failure of cooperation from one or more States
- failure of one of the "feed systems" such as CMIS or the delinquent AML file to work properly when it is fed into AVS

50. Question: Why has OSMRE selected the "one up/one down" approach in respect to ownership rather than including data in the system in accordance with Section 507(b)(4) of the Surface Mining Act which defines ownership as a ten percent interest in the operation?

Answer: The Applicant Violator System (AVS) is intended to aid in making the determination required under Section 510(c) of the Surface Mining Act that "any surface coal mining operation owned or controlled by the permit applicant" either is not in violation of the Act and other environmental protection laws or such a violation is in the process of being successfully corrected. Under Section 510(c), the determination is to be based upon information submitted by the applicant listing the violation history of the applicant, and upon "other information available to the regulatory authority."

Under the Act, the only ownership information which must be available to the regulatory authority is that required under Section 507 to be included in permit applications. Section 507(b)(4) requires that, where a permit applicant is a partnership, corporation, association, or other business entity, the application must include officers, partners, directors, and "any person owning, of record 10 per centum or more of any class of voting stock of the applicant." Subsequently in that paragraph, in an apparent reference to the 10 percent owners of record, the Act requires a list of names under which the "principal shareholder" had previously operated surface coal mining operations. The ownership information to be included in the AVS will reflect all information submitted in permit applications under Section 507(b)(4). These data will be supplemented with ownership and control data obtained from other sources such as Mine Safety and Health Administration data bases, OSMRE audits, and data provided from external sources which has been verified as to its accuracy. The system will be capable of searching the entire data base for ownership or control relationships, regardless of how these terms are ultimately defined in the pending rulemaking.

51. Question: How do you provide for quality assurance or accuracy of the data in the system?

Answer: OSMRE intends to verify against original source documents on a high percentage of all the data going into the system. State permit data will be reconciled against original source records. Automated data fed into the system will be validated under a quality assurance program requiring revalidation of all data in the system at least to a level of 5 percent.

52. Question: How many "trial runs" will OSMRE undertake before declaring Phase 1 operational?

Answer: Six to eight full weeks of testing is contemplated before the AVS becomes operational. OSMRE believes this is sufficient to "de-bug" the system before it moves into its operational phase.

53. Question: If none are planned, why is this considered a prudent course of action in light of the impact this information will have on operators applying for permits?

Answer: As indicated in the response to the proceeding question, a full systems test period is contemplated before the system becomes operational.

54. Question: How has OSMRE prepared itself in respect to having sufficient staff to verify the data in the system once it is operational and producing permit blocking information?

Answer: A combination of resources from the AVS contractor, OSMRE staff, and State regulatory staff will be available to validate and verify data placed in the system. The 1987 budget proposal contains a request for increased funding to make this part of the permanent systems operation and maintenance process.

55. Question: If OSMRE has not such staff, how do they propose to assure system credibility?

Answer: OSMRE believes that it has sufficient staff, together with State and contractor resources, to operate a credible systems assurance program.

56. Question: Has OSMRE discussed with Judge Parker the possibility of extending the February 1987 operational deadline to provide more time for quality assurance and to expand the scope of the system to include ownership of those with a ten percent interest? If not, why not?

Answer: OSMRE has not discussed directly with Judge Parker the possibility of an extension to the February 1987 operational deadline. However, OSMRE has had discussions with the plaintiff (Save Our Cumberland Mountains) concerning the possibility of an extension. While OSMRE believes the system can become operational by February 1987, an extension of an additional six to eight months would allow for considerable additional testing time and also allow the data collection effort to proceed at a slower, more sequential pace. OSMRE is in favor of an extension if an agreement can be reached with the plaintiff to jointly seek an extension from Judge Parker.

As indicated in response to a previous question, all components or individuals who control an interest in an applicant (greater than 10 percent) will be identified in the AVS system.

57. Question: What is the current status of system development?

Answer: The contractor has been at work on the project for four months. Systems development activities are underway and are on schedule. Data collection activities will begin in early April.

58. Question: Provide for the record an updated task schedule showing which tasks have been completed to date and outlining any problems which may affect achieving the February 1987 deadline.

Answer: As of March 13, 1986, all major issues effecting design, development and implementation of the AVS have been addressed and resolved to the point that all required technical direction has been provided to the contractor. Because of time required to address and resolve major issues some of the initial contract-required deliverables for various tasks are currently being modified to reflect new delivery dates. These adjusted dates will be reviewed and approved by OSMRE. The new deliverable product schedule will reflect the adjusted due dates. Many adjustments are in the tentative category as they may require further modification.

Task 1 - Requirement Review originally scheduled for completion March 14, 1986 is nearly completed.
Task 2 - Design System Specifications originally scheduled for completion May 2, 1986 is well underway.
Task 3 - Development Software originally scheduled for completion September 26, 1986 is moving along at a rapid pace.

Components of the above tasks, including Data Plan, Data Requirements, and Conversion Software, are all near completion and will be available to make the States of Kentucky, Wyoming and Tennessee operational by August 29, 1986.

No problems are envisioned at this time which would affect the February 1987 deadline. As soon as the new delivery schedule is available it will be provided.

Expansion of Applicant Violator System

59. Question: OSMRE is requesting an increase of $700,000 over the 1987 base for the expanded operation and maintenance of the Applicant Violator System. Does this funding provide for the completion of Phases 2 and 3 of this system?

Answer: The $700,000 mentioned in the 1987 budget request is for operation and maintenance of the AVS once Phase II becomes operational. $1.2 million is included in the 1987 budget for collection of data for Phase II. No funds are included in the 1987 budget for Phase III since this activity is not proposed to start until Fiscal Year 1988.

60. Question: If not, what is the total estimated cost of these phases?

Answer: Our present estimated cost of Phase II is $1.2 million for data collection and data input into the system. Our current estimate for Phase III for data collection and input is $1.5 million. However, it should be noted that these figures are based on very preliminary estimates of the amount and type of data to be put into the system. The Phase III estimates are subject to further validation and verification after OSMRE has had an opportunity to look at the types and amounts of data on air and water quality violations which must be loaded into the system in the Phase III effort. In addition to data collection, however, costs related to long term operation and maintenance will be incurred.

61. Question: When is it estimated that these phases will be completed?

Answer: Phase II is estimated to become operational February 1, 1988; Phase III to become operational February 1, 1989.

62. Question: If the system were expanded to provide for quality assurance of the data and more complete ownership information, when would Phases 2 and 3 become operational?

Answer: If an extension were received to perform further testing and quality assurance, it would delay the estimated start dates for Phases II and III by about six months. The amount of ownership and control data loaded into the system would have no effect or impact on the timing of Phases II and III since these data could be loaded concurrently with other ownership and control data.

Integrated ADP System

63. Question: The justification on page 78 states that "OSMRE has identified ADP systems development and implementation as a major concern since it impacts all aspects of the agency's operations". Discuss your request for an increase of $2,730,000 and 6 FTE's in this area.

Answer: Ultimately, all of OSMRE's data management systems should be merged into a single, integrated management information system. The core data base that serves the AVS, CMIS, and AML delinquent fees systems shares many common data elements. Further, the system architecture for CMIS and AVS are being developed in compatible data base management environments to facilitate integration. A fully integrated system would be more efficient, and ultimately more cost effective to operate, and also allow a full integration and cross use of data from both Title IV and Title V data bases. The proposed increase of $2.4 million in our Fiscal Year 1987 budget and the increase of $330,000 and six FTEs for the Information Systems Management Staff will be used to undertake this endeavor.

64. Question: How will OSMRE proceed with the merging of its computer systems in order to develop an integrated computer system?

Answer: OSMRE proposes to proceed carefully with the development of an integrated management information system in four distinct phases. Phase I will require a requirements analysis upon which the system will be designed. Phase II will be the systems design effort. Phase III will involve the migration of the existing data bases into the new system. Phase IV will be the testing of the new system in its integrated format. It is expected that this effort will begin in late Fiscal Year 1987 and will extend through the end of Fiscal Year 1989.

65. Question: Who will design the Request for Proposal for this system?

Answer: OSMRE has recently entered into a contract with MITRE Corporation for systems integration and management assistance. One of the tasks included in that contract is assistance to OSMRE in the preparation of a Request for Proposal (RFP) for the integrated management information system.

66. Question: From who will OSMRE receive advice?

Answer: OSMRE will receive advice from many sources but especially intends to involve users, both internal and external to OSMRE, in the design and development of the system. Establishment of an Ad Hoc committee similar to the State Ad Hoc Committee established to assist in the development of the AVS system is contemplated. The MITRE Corporation will provide technical assistance to OSMRE as the systems development phase proceeds.

Decentralization of Functions

67. Question: Underlying the Fiscal Year 1987 budget request is the proposal to decentralize certain program and administrative functions from Headquarters to field offices and technical center locations. Discuss in detail.

Answer: The proposed decentralization reflects another milestone in OSMRE's development toward a mature regulatory organization. Initially, OSMRE's primary missions were direct regulation of surface mines and developing the initial regulations to govern content and approval procedures for State primacy. In the 1981-1982 period, OSMRE's primary regulatory role shifted to oversight of State programs and major regulatory reform effort was determined to be necessary. The original regional organization was replaced with Field Offices to promote closer contact with the States in the new oversight mode. At the same time, Headquarters staffing was augmented both to meet the requirements of regulatory reform and to insure strong consistent policy direction for the new oversight mission. Most administrative functions were also centralized because the new field units were not of sufficient size to support specialists in the administrative disciplines (personnel, procurement, etc.).

Although the 1981-1982 changes in OSMRE's organization and staffing were appropriate in light of the changing mission, one significant unforeseen difficulty arose. With the new Field Offices and the two field Technical Centers reporting to different Assistant Directors in Washington, OSMRE experienced some management difficulties in oversight and other functions that required close coordination between these units at the field level. In October 1985, this problem was resolved by placing the field units (both the Technical Centers and the Field Offices) under East and West Assistant Directors for Field Operations. These two senior managers are now located in Pittsburgh and Denver. This realignment maintains the advantages of close contact with the States from the Field Offices but also reflects some of the attributes of a regional organization by consolidating program direction under the two field Assistant Directors.

The assistant directorates for field operations are units of sufficient size to justify placing capability for most administrative functions (e.g., procurement, personnel, and space) within these offices. We expect this will improve the efficiency and timeliness of essential administrative services. Similarly, the impending completion of regulatory reform and the oversight program experience gained by the field over the past few years will permit increased decision making authority to be delegated to the field and the transfer of some of the present technical expertise from Headquarters to the field to support that increased program responsibility.

The overall intent of the decentralization is to place more authority, technical expertise, and administrative capability in the hands of the field managers who are closest to the on-the-ground problems. Concurrently, Headquarters should be better able to focus on Nationwide policy formulation and program evaluation functions.

Decentralization is now being studied by two task forces; one dealing with administrative decentralization and the other with programmatic decentralization. Both of these groups are scheduled to provide their findings in the next few weeks. The reports will include detailed proposals for which functions should be decentralized and the timetables for accomplishing decentralization. Following the receipt of these reports, OSMRE will make final decisions on the timing and extent of decentralization.

68. Question: Specifically, which functions will be relocated and what are the requirements and timing of the relocation?

Answer: The budget process and OSMRE's planning for decentralization are not on a fully compatible schedule. Two OSMRE task forces are developing final decentralization proposals and reports to the Director who will make the decision, in consultation with the Office of the Secretary, on the precise functions to be decentralized. The reports of the two task forces will be available approximately by the end of April and copies will be made available to the subcommittee. The timing and requirements of relocation are also still under study and will be included in the task force reports.

The functions which will be decentralized fall into two major groups: administrative and programmatic. The OSMRE Headquarters will continue to perform policy and program evaluation functions. Pending the Director's final decisions, decentralization will consider the following functions:

Procurement
Personnel Management (up to specified grade levels)
Property Management
Grant Awards and Administration
Assessments (using computer software developed and controlled by Headquarters)
Emergency project determination and contracting
Technical assistance (in certain disciplines)
Approval of State program amendments

Both to minimize the impact on employees and in recognition of the schedule for completing regulatory reform, we anticipate that decentralization will be accomplished on a phased basis during Fiscal Year 1987. We estimate the total number of positions to be shifted from Headquarters to the field to be about 125. Headquarters will be reduced from approximately 35 percent to approximately 20-25 percent of the total OSMRE staff. This is appropriate given the field based emphasis of most OSMRE operations. Also, we expect that decentralization will permit OSMRE to consolidate its Headquarters organization in one location verses the three widely scattered downtown Washington locations we occupy now. This will greatly improve internal communications and eliminate considerable employee time spent shuttling between buildings.

69. Question: When does OSMRE anticipate recoupment of the $3,000,000 it will cost to undertake this relocation? ($2.2 million in regulation and technology)?

Answer: Except for modest savings in travel costs, OSMRE does not expect to recoup direct dollar savings from the one-time cost for decentralization. The benefits will be in the form of quicker, more knowledgeable decision making, administrative support and assistance to the States, plus an increased focus on policy at OSMRE Headquarters. Although largely intangible, we expect these benefits to be both discernable and easily worth the one-time cost involved.

70. Question: What will this increase provide?

Answer: The requested $3.0 million for decentralization includes an estimated $1.25 million for Headquarters office consolidation (including related necessary shifts of some other Bureau personnel), an estimated $1.0 million for employee moving expenses, and $750,000 million for utility work, space modifications, etc., at field locations. These are all one-time items and are estimates subject to refinement when the Director's final decisions are made. We will update the Subcommittee on any changes in anticipated costs shortly after the task force reports are made available.

71. Question: Throughout the justification OSMRE discusses Management Savings Initiatives. Discuss these initiatives and why OSMRE feels it will obtain a savings from them in Fiscal Year 1987?

Answer: The management savings initiative results in a modest savings spread across all OSMRE operational programs. Under this initiative, vacant positions are reviewed to determine whether the duties now required by the position are more appropriately performed at a lower grade level, or under a career ladder position whose entry level is at a lower grade. OSMRE has projected a savings of $175,000 for 1987 ($118,000 in Regulation and Technology; $57,000 in the AML Fund). Savings in 1985 and 1986 were $90,000 and $170,000, respectively.

State Reclamation Program Grants

72. Question: OSMRE is requesting a reduction in State Reclamation Program Grants in Fiscal Year 1987. On what basis does OSMRE feel justified to request such a reduction?

Answer: OSMRE requested a reduction of $5.5 million from the Fiscal Year 1986 level, but this is an increase of $1.2 million over Fiscal Year 1986 after implementation of P.L. 99-177. Thus an essentially level program is proposed. In Fiscal Year 1986, Congress reduced the appropriation for reclamation grants largely due to the States' inabilities to obligate funds awarded in prior years in a timely manner. OSMRE and the States have made the problem of such low obligation rates a priority. While States are starting to achieve success in this area, their unobligated balances remain high. The Fiscal Year 1987 request will encourage States to continue to obligate prior-year funds, while allowing for initiation of over $100 million in new construction projects.

73. Question: In the letter of February 11, 1986, Mr. Christensen stated that approximately $345,500,000 in construction grants remained unobligated, yet the justification on page 103 states that States are improving in their abilities to obligate funds. What evidence is there of this improvement?

Answer: Close examination of a sampling of some of the larger States with Title IV programs (IL, KY, OH, PA, WV, and WY) shows an increase in the percentages of obligation rates. These States have exhibited an improvement in obligated balances over a period of three quarterly reports. This is a positive sign that States are obligating their construction funding more rapidly, and we expect this trend to continue; however, given that the majority of unobligated funds are from 1984 and 1985 grants, it is evident that sufficient unobligated balances will exist through 1987 to maintain State workloads.

74. Question: How is OSMRE helping States achieve higher obligation rates? Are any of the staff in Reclamation Program Operations utilized in the endeavor?

Answer: OSMRE Abandoned Mine Land (AML) field staff continues to work with State AML staff to identify and resolve problems that affect the States' obligation rates. Most of the AML program States have made progress during the past two quarters in reducing their unobligated balances in approved reclamation grants. Headquarters AML staff provides policy guidance to the field as well as technical assistance in writing contracts and reclamation proposals. Headquarters staff interacts on a more limited basis with State AML staff.

75. Question: How has the improvement of State's obligation rates impacted in any way the quality of the reclamation projects?

Answer: There is no indication that the quality of reclamation work has any correlation to obligation rates. Generally, improved obligation rates result from improved administrative procedures and more experienced staff.

76. Question: What are the States comments on this proposed reduction?

Answer: The States are concerned about operating their programs at the reduced funding level for Fiscal Year 1986. Some assert that continuing the reduced funding level into Fiscal Year 1987 may require reduced staffing that would affect their ability to carry out AML programs.

Conversion of AML Fee System

77. Question: On page 106 of the justification it states that the conversion of the AML fee system is scheduled for the late fall of 1986, with completion by December 1986. Discuss the details of this conversion.

Answer: The AML fee data base is presently being operated on a Wang computer on loan from the Bureau of Mines in Denver. OSMRE intends to convert the system over to more modern equipment and to begin renovating the AML data base preparatory to its conversion into the integrated management information system referred to above. However, prior to conversion, the system linkage to the AVS system must be developed. Final plans for the AML conversion are on hold pending the AVS linkage being completed.

78. Question: Who is undertaking the conversion?

Answer: OSMRE contemplates this work being done by a systems operation and maintenance contractor.

79. Question: What tests are put into this work package to assure the quality of the data in the system?

Answer: Standard quality assurance techniques and testing will be applied to the data base. Further, OSMRE configuration management procedures will be put into place for the new system after its conversion.

80. Question: Will the December deadline be met?

Answer: As indicated above, the December deadline is dependent upon the effectiveness of the conversion of the AML system into the AVS data base. Our intention is to meet this deadline.

81. Question: Why is the increase in staff requested on page 109 of the justification necessary?

Answer: The increase of 15 FTEs shown on page 109 of the budget justification will increase the Fee Compliance audit staff. They will primarily be used to provide additional fee compliance audit support for the two-acre effort in Kentucky and Virginia, and to increase quality control of the audit process by hiring several audit reviewers to review the work of field auditors. Also, in Fiscal Year 1987, the fee compliance staff will continue to address the AML referral workload that results from two-acre activities in both States which should result in additional cases being resolved for payment.

82. Question: In Fiscal Year 1986 a discussion took place regarding the $25-$30 million dollars due the government in AML fees. In the Fiscal Year 1987 justification on page 107 it shows that $35 million still remains to be collected. Why has there been no improvement?

Answer: The $35 million figure mentioned in the Fiscal Year 1987 justification is a more refined estimate which also includes potential delinquent fees from sites in excess of two acres where mining has occurred but no fees have been paid. During the last part of Fiscal Year 1985 and the first part of Fiscal Year 1986, $11 million in AML delinquent fees has been recovered as a result of our audit activities.

83. Question: How will the additional 6 FTE's requested under Administrative Support be utilized in the coordination of the AML fee system into an overall integrated computer system?

Answer: The six additional FTEs will be used to augment systems support for our Information Systems Management Staff. This will support development of our integrated management information system, a component of which will be the AML fee system, and to meet the expanded systems requirements of OSMRE.

Small Operator Assistance Payments

84. Question: OSMRE is not proposing funds for Small Operator Assistance Payments in Fiscal Year 1987 on the premise that the projected carryover balances will be sufficient to support the program. Discuss the rationale behind this premise.

Answer: No new budget authority is being requested since over $5 million will be available in 1987 from prior year unobligated balances. This amount will be sufficient to support the program in Fiscal Year 1987. The average amount obligated under this program over the past five years (Fiscal Year 1982-Fiscal Year 1986) is $0.5 million per year.

85. Question: How many SOAP projects are anticpated in Fiscal Year 1987?

Answer: OSMRE anticipates 270 SOAP projects in Fiscal Year 1987.

Questions Submitted by Congressman Ralph Regula

Ohio Regulatory Program

86: Question: I am concerned with the deteriorating condition of the Ohio surface mining regulatory program. Your evaluation reports have shown a myriad of problems and failures in the State. The State is only inspecting 60 percent of its mines; inspectors are citing only 36 percent of existing violations; deficient permits are being granted; and reclamation bonds are being improperly returned to operators on sites not fully reclaimed. Further, since the State legislature passed a bill removing civil service protections from State inspectors, enforcement actions have dropped over 50 percent from an already poor performance, according to State officials quoted in the Cleveland Plain Dealer. Many of these problems are not new. They have been noted before in past OSM reports. I am concerned with what appears to be foot dragging by both OSMRE and Ohio in trying to resolve these problems. I should point out that Ohio is not the only case. A report by the National Wildlife Federation, "Failed Oversight: A report on the Failure of the Office of Surface Mining to Enforce the Federal Surface Mining Control and Reclamation Act," contends that in "almost every major coal State, OSMRE is aware of significant violations of the law and has failed to stop them." But I would like to focus on the problem in Ohio, because I am familiar with the particulars in that case. What besides talking to the State is OSMRE doing about the Ohio situation?

Answer: OSMRE and Ohio have developed a number of action plans to resolve program deficiencies since the inception of the permanent program. Plans were developed initially in May 1985 to address the problems identified in the 1985 annual Evaluation Report. Because of Ohio's failure to meet these commitments, OSMRE elevated its concerns to the Director of the Department of Natural Resources and to the Governor's office. Since then, performance has improved and the State is now meeting its commitments.

87: Question: Has OSMRE and the State signed any agreements for the correction of the problems? If so, please explain and provide for the record. If not, why not, and when do you expect to?

Answer: Ohio and OMSRE have agreed to specific action plans to correct deficiencies, which were transmitted between the parties by letters. OSMRE is planning to include the key action items as conditions to Ohio's regulatory grant to assure that terms are met. The action plans address concerns such as permitting, inspection frequency, enforcement policy and civil penalty collections. Copies of the action plans will be sent to the Committee.

88: Question: As you are aware several environmental and citizen organizations have written to the Secretary asking that OSMRE hold a public hearing on Ohio to publically air the problems and attempt to get a resolution. (At this point put both the letter to Secretary Hodel and Governor Celeste into the record). Since none of us would like to see Ohio lose its primacy this seems like a reasonable step in addressing the problem. Will you give me your commitment to hold such a hearing?

Answer: A letter from OSMRE has been sent in response to the letter you are referencing, a copy of which will be sent to the Subcommittee. The letter states that no hearing is presently being scheduled since OSMRE needs an opportunity to evaluate the recent efforts by Ohio to correct the deficiencies.

ENVIRONMENTAL POLICY INSTITUTE

February 14, 1986

The Honorable Donald Hodel, Secretary
Department of the Interior
18th and C Sts. NW
Washington, DC 20240

Dear Secretary Hodel:

The following organizations, the Environmental Policy Institute, the Ohio Environmental Council, the Ohio Audubon Council, and the Ohio Chapter of the Sierra Club express to you our serious concerns about the deteriorating condition of the Ohio state surface mining regulatory program. The Office of Surface Mining (OSM) has confirmed our concerns in their most recent annual evaluation of Ohio's program, Annual Evaluation Report, Ohio Permanent Program for the Period April 1, 1984 to March 31, 1985. In that report, OSM outlines major problems and breakdowns in Ohio's implementation and enforcement of the federal Surface Mining Control and Reclamation Act of 1977 (SMCRA).

For example, OSM specifically found that Ohio inspectors are failing to make their required number of mine inspections, and are considerably failing to cite all violations when observed. Furthermore, OSM found that Ohio is issuing mining permits improperly that fail to meet the requirements of SMCRA; is failing to implement a program to assess and collect individual civil penalties; and is improperly releasing reclamation bonds to operators whose mine sites do not meet the reclamation requirements of SMCRA. Many of these problems, along with others, have been cited before in previous OSM reports on Ohio. Furthermore, it is our understanding that OSM is presently finishing an interim report covering the current period which will show that the problems in Ohio are still growing.

Our concerns about the Ohio program were further exacerbated last June when the Ohio legislature passed a bill that eliminated all civil service protections for Ohio's surface mining inspectors. Since that bill passed, it is our understanding that enforcement actions initiated by Ohio inspectors against strip mine operators have dramatically decreased.

As reported in the press, enforcement actions initiated by Ohio dropped over 50% between June and July 1985. Without civil service protection, Ohio inspectors, and their job security, are increasingly vulnerable to pressures adverse to stringent enforcement of SMCRA regulations.

Based upon OSM's enforcement data on Ohio, we believe that the Ohio legislative action conflicts with Section 503, 521, and 703 of SMCRA. While a new bill (House Bill 663) has been introduced to reinstate the inspectors' civil service protections, passage of the bill is uncertain at best.

We believe that the problems outlined above are accelerating the deterioration of SMCRA's enforcement in Ohio. In response to these problems, and in an effort to avoid eventual revocation of Ohio's primacy, we respectfully request that you initiate the following actions:

1. We request, pursuant to Section 521 of SMCRA, and H.J. Resolution 465, that you immediately hold a public hearing in Ohio to:

   A. Determine the extent of Ohio's systematic failure to adequately implement and enforce SMCRA;

   B. Determine the willingness of the State to enter into an explicit plan of action for correcting the enforcement deficiencies as required by H.J. Resolution 465; and

   C. Deny Ohio fifty percent of its share of the Abandon Mine Land fund should the state not enter into a compliance agreement with OSM pursuant to H.J. Resolution 465.

2. We request that you immediately enter into a dialogue with Governor Richard S. Celeste and leaders of the Ohio legislature to impress upon them the serious problems and ramifications that are resulting from removal of civil service status from present and future state mine inspectors, and the need to return full protection to these employees. Such ramifications certainly include the potential loss of substantial AML funds, federal administrative grants, and partial or total primacy authority.

3. As a stopgap measure to bolster state enforcement in the coalfields, we urgently request that you immediately condition all federal surface mining grants to Ohio for the administration and enforcement of its regulatory program upon agreeing to the following suggested language, until civil service status and protections are returned to state mining inspectors:

> The State of Ohio agrees to notify OSM at least 30 days prior to the initiation of any personnel action of any kind against any person performing inspection duties pursuant to the approved state program. OSM shall upon receipt of the notice investigate the proposed action for purposes of determining whether the proposed action is in any way based on considerations connected with the diligent performance of required inspection duties under SMCRA. If OSM determines that the proposed action is improperly motivated, it shall so inform the State. If the State is determined to proceed over OSM's objection, OSM shall move within 10 days to deny all federal surface mining administration grant funding to the State. OSM many also investigate any complaint made by State inspectors regarding any improper action taken by the regulatory authority regarding enforcement actions of the approved program.

The above actions do not in any way indicate that it is our sole objective to seek the revocation of Ohio's primacy, or deny Abandoned Mine

Land and federal administrative grants to the State. Rather, our main goal is to necessitate the State to address and correct significant deficiencies in its regulatory program that are impacting Ohio's environment and coal-field communities. With such attention, we see a great opportunity for improvement. If left unchecked, the situation will deteriorate to the point where OSM may have no choice but to revoke primacy. Therefore, we urge you to move quickly to take the actions outlined above so that the Department will not lose its limited options for resolving the crisis in Ohio.

Thank you for your consideration. We look forward to your reply.

Respectfully,

James S. Lyon
Director
Citizens Mining Project

cc: The Honorable Richard Celeste
Senator John Glenn
Senator Howard Metzenbaum
The Honorable Morris K. Udall
The Honorable Sidney R. Yates
The Honorable Clarence E. Miller
The Honorable John Seiberling
The Honorable Ralph Regula
The Honorable Douglas Applegate
The Honorable Dennis Eckart
The Honorable Bob McEwen
The Honorable James A. Traficant
Mr. Jed Christensen
Ms. Nina Rose Hatfield
Mr. Joseph J. Sommer
Mr. L. Thomas Galloway
Mr. Peter Piecario
Mr. Steven Sedam
Mr. Jerry Tinianow

THE PLAIN DEALER, TUESDAY, NOVEMBER 25, 1

'Unprotected' inspectors citing mines less

By PETER GELLER
STAFF WRITER

The number of violation notices issued to coal companies by state strip mine inspectors has dropped dramatically since June when inspectors lost civil service job protection.

Inspectors in the Bureau of Reclamation, who now serve at the pleasure of the bureau's chief, fear they could lose their jobs if they slapped influential coal companies with too many citations, inspectors and other bureau staffers said.

The number of citations issued in July was about half of June's level and the lower rate has continued.

While exact numbers were unavailable, Assistant Bureau Chief Bob Rothwell confirmed the drop and said a significant portion of the decline was due to the loss of civil service protection for inspectors.

The loss of protection is the latest issue to call into question how effectively the bureau is regulating Ohio's coal industry. The influence of industry lobbyists has been seriously undermining morale in the bureau for several years, according to inspectors and other staff members.

The staff members said Bureau Chief Larry Mamone reduced civil penalties against certain coal companies so routinely many inspectors believed it was pointless to cite those firms. Inspectors declined to name the companies.

"I really feel that the reductions in the civil penalty assessments are at the point where that is no longer an effective deterrent," said Harry Payne, supervisor of the Athens district office.

The inspectors' jobs were stripped of civil service classification by language inserted in the last state budget bill. Sources said the language was that of State Sen. Oakley C. Collins, R-17, of Ironton, a coal mine owner. Repeated attempts to contact Collins last week and yesterday were unsuccessful.

Asked whether he believed Collins' budget language was specifically designed to reduce the number of violations issued to coal companies, Rothwell said, "I can't see any other use for it."

Natural Resources Director Joseph J. Sommer said he believed civil service status should be preserved, at least for inspectors on the job when the budget bill was approved in June.

The state attorney general's office has been asked to decide whether the language applies only to inspectors hired after June 30, but is awaiting the outcome of a similar case before the Ohio Supreme Court before an opinion is issued, Sommer said.

"The biggest problem is morale," said Neal Acomb, an inspector in the bureau's Zanesville district office. "The inspectors don't believe in their jobs anymore."

Rothwell said he agreed with many of the staff comments. He said Mamone's decisions on civil penalties were generally pro-industry and natural resources department officials responsible for overseeing the reclamation bureau had failed to provide clear direction for such decisions.

Rothwell said he believed the bureau needed a better balance between coal industry and environmental interests.

"If you look at how decisions are made ... in most cases it's decided in favor of the coal industry," Rothwell said. "I guess I can't deny that."

Mamone said he continually strove for balance in his decisions.

"My objective has always been to have a viable coal industry that will mine in accordance with law and in an environmentally sound manner. I am not out to wreck the coal industry, and I'm not out to just let the industry run rampant," Mamone said. "I try to give even handed treatment."

Sommer said he intended to review bureau practices thoroughly and would reserve judgment until he completed the review.

In the meantime, he said, the agency has thrown its support behind a bill introduced in the Ohio Legislature by Rep. Jack Cera, D-99, of Bellaire. The bill seeks to reinstate the inspectors' civil service classification and removes the provision about serving at the pleasure of the bureau chief, one which Sommer said he found particularly onerous.

Athens supervisor Payne noted that violation notices had not fallen off appreciably in his own district.

"We're not going to allow that action (the Collins provision) to intimidate us," he said. "There is no question in my mind that the bill was an attempt to intimidate the people in this office."

Until June, the Athens office had jurisdiction over mining operations owned by Collins. Complaints about the office from industry lobbyists led to the creation, over staff objections, of a new district. Mamone maintained he divided the districts to boost efficiency and had planned the change before receiving industry complaints.

Rothwell said the field staff as a whole was slowly regaining its confidence. Enforcement personnel, he said, had been assured they would not get fired for doing their jobs and violation notices were picking up again, but he acknowledged the situation would remain unresolved until it became clear which inspectors were affected by Collins' provision.

One of the major contributions to the broader morale problem, said staff members from several districts, was Mamone's penchant for reducing the penalties of coal companies that make vehement complaints to him after being cited. Those firms are often the largest coal companies in the state.

As bureau chief, Mamone has the authority to uphold or change a penalty, the staff members noted, but the number and extent of Mamone's reductions far exceeded those of former bureau chiefs.

The reductions in penalties are also frequently approved by Mamone "really without any due consideration of facts," such as the frequency or severity of the violations, a staff member said.

"We're not dealing away the violation," Mamone said of settlements with coal companies, adding that each case was decided on its merits.

He explained that he might enter into a penalty settlement if a company waived its appeal rights, and showed it could pay the agreed upon amount, because the state's legal costs could otherwise exceed what it would collect from the original fine.

ENVIRONMENTAL POLICY INSTITUTE

February 18, 1986

The Honorable Richard S. Celeste, Governor
State of Ohio
State House
Columbus, OH 43215

Dear Governor Celeste:

On behalf of the following groups, the Ohio Environmental Council, the Ohio Audubon Council, the Ohio Chapter of the Sierra Club, Citizens Organized Against Longwalling, the Appalachian Ohio Public Interest Campaign, and the Environmental Policy Institute, I would like to bring to your attention our concerns regarding the deteriorating condition of the Ohio state surface mining regulatory program. For several years, we have remained concerned with the Ohio Division of Reclamation's inability, and often resistance, to effectively enforce the federal Surface Mining Control and Reclamation Act of 1977 (SMCRA). Our concerns have been supported by recent Office of Surface Mining (OSM) evaluation reports on the status of Ohio's compliance with this law. OSM has noted breakdowns in many key areas of the Division's most important and essential enforcement responsibilities.

For instance, OSM cited Division inspectors for failing to make the required number of mine inspections. The Division was found to be inspecting only 60% of the State's mines. SMCRA requires 100% inspections. The Division was also found by OSM to be taking enforcement actions against only 36% of the actual violations observed. SMCRA requires inspectors to cite all violations. Furthermore, the Division was found to be improperly returning reclamation bonds back to mine operators for mine sites that did not achieve full reclamation. Without retention of these bonds, there is little chance that these mines will be ever reclaimed. Ohio already has a legacy of severe environmental problems associated with tens of thousands of acres of abandoned mines left unreclaimed prior to the federal law. Ohio coalfield communities are now being subjected to more.

We further believe that the state of primacy in Ohio was dealt a severe blow by the Ohio legislature's action last June to remove civil service protection from state mine inspectors. As was predicted, an already poor state enforcement record plummeted as a result. According to a Division official, State enforcement actions dropped over 50% in one month after that bill was passed.

In response to these mounting breakdowns, we have petitioned the Secretary of Interior to hold a public hearing on the Ohio program, and obtain a compliance agreement with the Division for resolution of the problems. Under the law, the Secretary is obligated to do so when he is aware of state compliance problems. If the Division is unwilling to enter into such an agreement, the Secretary has the authority to revoke primacy in the State. As an alternative to that ultimate choice, we have instead recommended that the Secretary consider withholding federal Abandoned Mine Land funds from the Division should State officials be unwilling to cooperate.

We have also requested the Secretary to enter into a dialogue with your office and with leaders of the Ohio legislature regarding the ramifications of the bill revoking civil service protections, and to urge its repeal. As a stopgap measure to immediately bolster sagging enforcement and in efforts to protect State inspector job security and integrity, we have requested the Secretary to condition federal surface mining administrative grants to Ohio upon the agreement that OSM has the right to review all Division personnel actions against State inspectors.

As we informed the Secretary, these strong actions should not reflect that it is our goal to see Ohio lose primacy, or its federal grants. It is our objective, rather, to stop the backsliding of the Ohio regulatory program, which we believe if left unchecked will result in grave consequences.

Therefore, we respectfully request your office to direct its attention to resolving the many problems with the Division's program. While we acknowledge that the Division has been more cooperative in addressing some of the outstanding problems with OSM over the last several weeks, much more needs to be done. We remain skeptical of the process thus far, based upon experience in the past. All to often, the reaction to our informally presented concerns regarding programmatic breakdowns has been for OSM and the Division to claim that they are resolving the problems by talking to each other . Over the years this has resulted in very little progress. The closed door negotiations tend to drag on for years with little concrete improvement. Therefore we strongly believe that it is now time to address, and hopefully resolve, this issue under public scrutiny.

We are confident that with your direct attention, this situation can be dramatically improved, and the ultimate consquences can be avoided. We stand ready to work with your office in any way we can to achieve this goal. We look forward to your reply.

Respectfully,

James S Lyon

James S. Lyon
Director
Citizens Mining Project

Enclosure

cc: Mr. Joseph Sommer

89: Question: In their letter to the Secretary, these groups complained that OSMRE's patented response in the past regarding State breakdowns is to talk to the State. They feel that the private meetings go on for extended periods ending with little resolution. Since the problems cited by OSMRE in Ohio have been reported before in past annual reports, perhaps they have a point. What is your aversion to holding a public hearing so that citizens have the opportunity to observe and participate? As I read your budget (pg. 37) one of OSMRE's efforts to refine its oversight process and procedures is in the area of providing an increased opportunity for public participation. Wouldn't a public hearing in Ohio fit right in with this goal as stated in your budget?

Answer: Public input is important to the oversight process. OSMRE has provided an opportunity for the public to contribute to the evaluations now underway. This opportunity for public input, plus the strong commitments recently given by top level State officials, make a hearing unnecessary at this time.

Status of Ohio Inspectors

90: Question: I am concerned that State inspector integrity is presently in question due to their loss of civil service protection. In your annual report update you too acknowledge the increase in the failure to cite violations as due in part to the inspectors' positions being removed from civil service classification. Is this change in the Ohio program something OSMRE should have approved as a program amendment?

Answer: Classification per se is a State issue that does not require a program amendment. The problem of failure to cite violations existed before declassification and had been discussed with the State with little result. The problem increased following declassification and was one of the factors leading to our decision to elevate the issue to top level State officials. Ohio has agreed to an action plan on this issue and has taken steps to implement it. Recent information, while not adequate to allow a firm conclusion, shows a trend towards increased citation of violations. OSMRE will soon undertake a more complete review of the State's progress through March 31, 1986.

91: Question: As the lack of civil service protection is already having an impact on Ohio's enforcement what is OSMRE doing to ensure that these inspectors enforce the law and are protected for doing so?

Answer: OSMRE continues to perform field inspections, special studies, and permit reviews to assure that all violations are cited. If there is reason to believe that a violation exists, a Ten-Day Notice is issued. If a violation is not appropriately addressed by Ohio, Federal enforcement action is taken.

Although OSMRE does not interfere with the State's personnel actions concerning individual inspectors, we are not aware of any adverse actions against Ohio inspectors for enforcement of the State program. Further, State officials have issued a policy statement to inform all inspectors that violations must be cited. This action, along with increased supervision, appears to be resulting in more citations.

Status of Enforcement in Ohio

92: Question: As I understand the Surface Mining Law OSMRE is required by Section 521 to issue a ten-day notice to the State if a violation is observed by OSMRE. If the State does not take appropriate action within ten days, OSMRE is required to make an inspection and to take action if the violation continues. How many ten-day notices did OSM issue in Ohio in 1985 for the record could you provide an accounting of what follow-up action was taken?

Answer: During calendar year 1985, 260 Ten-Day Notices containing 354 violations were written in Ohio. Of these Ten-Day Notices, 42 were for delinquent Federal reclamation fees which resulted in 38 Federal Notices of Violation and one Cessation Order for failing to abate a violation. This is a Federal responsibility and OSMRE is reviewing the enforcement mechanism to determine a more appropriate approach under Title IV. The remaining 218 Ten-Day Notices resulted in Ohio taking appropriate action on 264 or 85 percent of the violations observed and inappropriate action on 48 violations, or 15 percent.

The appropriate actions on 264 violations were:

96 - State took enforcement actions;

108 - violations corrected prior to State inspection;

38 - State provided information to show that a violation did not exist; and

22 - initial State action inappropriate; however, appropriate State action taken prior to Federal follow-up inspection.

The inappropriate actions on 48 violations resulted in:

46 - Federal Notices of Violation issued; and

2 - Federal Cessation Orders for mining without a surface coal mining and reclamation permit.

93: Question: According to your updated report Ohio's response has been to establish an in-house monitoring system to assure that all violations are properly addressed. Do you honestly believe that allowing the State agency, that you cited in your own reports as being very weak in citing violations, can conduct credible oversight inspections of their own inspectors?

Answer: The action plan to address the failure to cite violations is a positive effort by Ohio's management to deal with this problem. OSMRE has every expectation that the new top-level management emphasis on this problem will result in better State performance. OSMRE does, however, plan to do early and periodic reviews to see if the State's efforts are successful.

94: Question: In your updated report you say that OSMRE will evaluate the effectiveness of the implementation of the State's plan to deal with the failure to cite violations, including the in-house monitoring system, after March 31, 1986. What do you intend to do if the system proves ineffective? Would you provide a copy of your review to the Committee for the record.

Answer: A copy of the interim report on Ohio's performance will be provided to the Subcommittee when it is completed. The specific steps which would be required if the forthcoming review indicates that the State's performance has not improved can only be determined after the State's progress is assessed.

95: Question: As you know, the Continuing Resolution which cleared in December included language enabling the Secretary to withhold 50 percent of an Abandoned Mine Reclamation fund grant if a State is failing to adequately enforce the State program. The citizens groups have called upon the Secretary to review all personnel actions taken by Ohio against State inspectors for carrying out their enforcement duty and to envoke this withholding provision to insure that these inspectors are not subject to improper personnel actions. Have you considered conditioning Ohio's grants in such a way until civil service protection provisions are returned to State inspectors? If not, what do you propose to do?

Answer: OSMRE has determined that the issue of civil service protection for inspectors is a State matter and has proposed no grant conditions. To the extent that the State has problems in enforcing its program, OSMRE is taking the actions described earlier.

96: Question: Going back to the problem of insufficient inspections being conducted. According to your updated report one of Ohio's responses was to amend the program to revise the inspection requirements so that the number of inspections required would be reduced by approximately 30 percent. Is there a minimum number that OSMRE requires or that is required by the law?

Answer: The Ohio program amendment reduced the number of complete inspections required on inactive sites. This amendment makes the Ohio program consistent with OSMRE regulations, which require that an average of one partial inspection be conducted each month on active sites and that an average of one complete inspection be conducted each quarter on active and inactive sites.

97: Question: It was after Ohio reduced the number (July 1985) that inspections still fell off. Is reducing the number of required inspections a proper way to handle this enforcement problem?

Answer: The Ohio program, before it was amended, required more inspections than Federal requirements on inactive sites. By reducing its unnecessary efforts on inactive sites, the State is able to place greater attention on active sites where problems are more likely to occur.

98: Question: According to your updated report Ohio has no structured monitoring program or uniform policy procedures governing construction inspection. In response Ohio developed an AML procedures manual, detailing project monitoring policies and procedures, which was implemented in July 1985. OSMRE was to do a follow-up reviewed in January and February 1986 to verify that monitoring procedures adopted by Ohio are inplace and functioning effectively. Has that review been conducted? If so what were the results?

Answer: The review has progressed through data gathering and analysis of the data. Preparation of findings is now proceeding.

Resolving Problems in Ohio Programs

99: Question: Going back to the National Wildlife Federation Report, "Failed Oversight," the report claims that the poor management by OSMRE of the State programs which have been taken over sets a bad example for other States. Quoting from the report: "More significantly, however, they encourage other States to ignore their problems since they can assume that additional takeovers of State programs by OSM are unlikely." This would seem to give more impetus to the need for a public hearing in Ohio if this is in fact the case. Would you care to respond to this allegation?

Answer: The National Wildlife Federation charge refers to OSMRE's temporary reassignment of oversight personnel to enforcement duties in the initial stages of Federal enforcement in Tennessee and Oklahoma. Although this action produced a temporary reduction in oversight activities, it allowed the agency to take prompt enforcement action and establish an effective Federal presence in Tennessee and Oklahoma. This effective and prompt action shows that OSMRE can take direct action and, to the extent that it has had any impact, has actually motivated other States to improve. The National Wildlife Federation report further implies that there is a need to take similar action in other States, an implication with which we emphatically disagree.

100: Question: What is your reaction to the National Wildlife Federation recommendation that State programs with significant problems, and I would put Ohio in that category, be put on a binding schedule for resolving those problems?

Answer: OSMRE is in the process of establishing schedules to remedy deficiencies with all States. As needed, we will make these schedules binding.

101: Question: According to a recent GAO Report OSMRE lacks specific procedures to evaluate State regulatory programs. What are the current procedures?

Answer: The GAO comment related specifically to guidelines and procedures for the evaluation of State permitting activities. Guidelines for evaluation of State permitting activities were initially established on January 14, 1983. To assure consistency and uniformity in the review and evaluation of State permitting activities, it has been necessary to develop more detailed procedures and guidelines. OSMRE has developed detailed procedures for use during the Fiscal Year 1986 evaluation period. These documents, "Procedures for the Evaluation of State Permitting Operations" (dated February 25, 1986) and the Fiscal Year 1986 Annual Format and Outline (dated November 27, 1985), establish the process to be used in evaluating State regulatory programs in 1986.

102: Question: What is your reaction to the environmental groups request that OSM replace its State evaluation guidelines with formal rules governing the agency oversight activities? It is my understanding that the environmental groups would like new rules prescribing when State program approval would be withdrawn when States fail to correct serious deficiencies in their programs.

Answer: On November 13, 1985, a petition for rulemaking was submitted by ten citizens' organizations pursuant to section 201(g) of SMCRA to amend existing Federal regulations at 30 CFR 733.12 concerning procedures for evaluating State programs, substituting Federal enforcement of State programs and withdrawing approval of State programs. Specifically, the petition seeks to amend existing regulations by: (1) promulgating uniform evaluation procedures into regulations; (2) utilizing the adopted evaluation regulations in a comprehensive evaluation of each State program, including the definition of acceptable performance levels; (3) publishing and soliciting public comment in the Federal Register on each annual State program evaluation; (4) providing that when OSMRE or any interested person identifies any failure of a State to achieve an "acceptable" performance level in administering its program, OSMRE shall promptly initiate a "733" process; and (5) revising procedures for conducting a "733" investigation.

On January 3, 1986, OSMRE announced in the Federal Register the availability of the petition and solicited public comment on the merits of the petition. Since several parties requested an extension of time to submit comments, OSMRE extended the public comment period until March 5, 1986.

Numerous comments on the petition have been received from the States, environmental and industry groups and other Federal agencies. OSMRE is evaluating those comments. Until this analysis is completed and all views considered, a decision to grant or deny the petition will not be made.

Regulatory Program Operations

103: Question: In light of the GAO report, an August 1985 Committee on Interior and Insular Affairs report which criticizes OSM for its failure to effectively oversee State program implementation, and the National Wildlife Federation Report, how do you justify the $1.4 million decrease in regulatory program operations (pg. 33)?

Answer: The Fiscal Year 1987 reduction in the Regulatory Program Operations subactivity is made possible by non-recurring costs associated with two-acre activities in Kentucky and Virginia, and the completion of direct OSMRE regulatory activities in Oklahoma, which is expected to resume full regulatory authority by October 1, 1986. Funding associated with evaluation and oversight of State programs is not being decreased.

104: Question: Of the $1.4 million decrease, how much will come specifically from oversight of State programs? How much did you ask OMB for this activity?

Answer: No decrease is proposed for Fiscal Year 1987 for oversight of State programs. The current level of funding has proved effective in identifying and addressing problems. The Fiscal Year 1987 request for Regulatory Program Operations includes $16,279,000 for the State programs and regulation and inspection components. Evaluation and oversight activities are addressed within these two components. This is identical to the request to OMB.

Statistical Sampling Inspections

105: Question: A 1983 Appropriations Committee S&I report cited problems with OSM's statistical sampling method for oversight of State inspection activity as flawed. Your budget (pg. 39) says the statistical sampling is an integral element of OSM's inspection activity. Although the Appropriations S&I staff said OSM was addressing this problem, the National Wildlife Federation report claims the sampling technique is still not valid. Could you explain this technique and what you have done to address the problems identified three years ago by the Committee staff?

Answer: OSMRE's statistical sample program was designed by statistical experts and relies on proven statistical methods used for years by industry and the academic community to draw valid inferences about a total population from study of a representative sample.

At the beginning of each State evaluation year, OSMRE Headquarters uses a computer to select a random sample of mines from the total mine count in each State. The sample is calculated to provide a 95% confidence level.

The alleged problems with OSMRE's sampling techniques set out in the 1983 Appropriations Committee S&I report centered on: (1) defining the inspectable population; (2) sample integrity; (3) subpopulations within a State; (4) noncomparable data; and (5) random sampling without replacement. Although the report implies that these problems make the results of statistical sampling questionable, OSMRE believes that the areas identified are insignificant in terms of the purpose and validity of results of statistical sampling. OSMRE's responses to these allegations are as follows:

(1) Since the S&I report in 1983, OSMRE inspectable unit lists have been revised in concert with respective States and are updated on a regular basis. In addition, repermitting is essentially complete. The statistical samples selected are now based on accurate lists that reflect the true percentages of interim and permanent program sites, type facilities, and mining and reclamation status representative of a cross section of the total population.

(2) OSMRE has provided instructions to Field Offices to prevent sample biasing. Extra random samples are provided with each sample draw as replacements when a selected sample is found to be released, forfeited, or abandoned. Also, inspections are not postponed in winter and deferred until weather conditions become suitable.

(3) The intent of statistical sampling is to evaluate the overall performance of States' administration of their approved programs through sampling a representative cross-section of the total mine population. Statistical samples account for only about half of OSMRE's total oversight inspections. A majority of the remaining half are comprised of various special study inspections, conducted as an in-depth study of areas of concern as identified by the statistical sample.

(4) The S&I Committee was concerned with the number of ten day notices issued. This number is affected by the amount of joint inspections made. This issue has no effect on the validity of the statistical sample since the sample is designed to measure compliance at the mine sites rather than the number of Ten-Day Notices issued. Ten-Day Notices are not used by OSMRE as measures of State performance. These notices are based on various indirect sources of information giving reason to believe a violation exists. States are provided with the opportunity to show good cause that a violation may not in fact exist. When violations are detected directly during OSMRE inspections whether or not a Ten-Day Notice is issued to the State, all such violations are recorded as noncompliances on the inspection report.

(5) The fact that when a site receives a statistical sample inspection, and States and operators know the site will not be inspected again in that evaluation year, has no effect on the validity of the sample. A statistical sample inspection produces information about one element of the universe of sites at the time of inspection.

Delinquent AML Fees

106: Question: What do you estimate to be the amount of uncollected fees and interest still owed to the Federal Abandoned Mine Land Fund? (National Wildlife report estimates $32 million).

Answer: Our current estimate of uncollected delinquent AML fees is $35 million.

107: Question: What is OSMRE doing to collect these fees?

Answer: OSMRE has expanded its audit effort which has collected over $11 million in delinquent AML fees in the past 10 months. This audit effort will, in our opinion, continue to yield encouraging results and in the long run reduce the delinquent AML fee base. It also will increase the accuracy of the estimate of how much AML fees is actually owed. One of the most effective audit tools is the cross checking of data obtained from other sources such as the Energy Information Administration of the Department of Energy against data reported to OSMRE. This allows OSMRE to target companies for audit where discrepancies between data reported to different sources appears.

108: Question: Why are the funds that have been collected not deposited in interest-bearing accounts?

Answer: There is no authority to use interest-bearing accounts. The establishment of interest-bearing accounts for AML fees requires authorizing legislation.

Decentralization

109: Question: Your budget for General Administration shows an increase of $2.2 million for General Services. You cite the proposed decentralization of OSM as a reason for the increase. Why does a reorganization cost so much?

Answer: The $2.2 million referred to is to cover relocation costs associated with decentralization in the Regulation and Technology account; there also is an additional $800,000 proposed in the Abandoned Mine Reclamation Fund account for this purpose. This is a one-time cost associated with the movement of approximately 125 people from Headquarters to the field and certain other costs including space, movement of furniture and supplies, etc., associated with decentralization.

The functions which will be decentralized fall into two major groups: administrative and programmatic. It is contemplated in the administrative area such functions as personnel, procurement, management services, and financial services will be decentralized to the offices of the Assistant Directors East and West to perform policy and program evaluation functions. In the programmatic area, several functions have already been identified for decentralization such as penalty assessment, and AML and regulatory grant administration. Other programmatic functions are still under study.

Rural Abandoned Mine Program

110: Question: Once again you propose to abolish the RAMP program. You argue that the States are in a better position to spend the money more effectively than the Soil Conservation Service (pg. 125). The same budget, however, proposed to cut State share grants because the States continue to have a high level of unobligated balances in their State reclamation grants (pg. 103). You can't have it both ways. I think the record shows that the States are having some problems and maybe the only effective way to get any reclamation done is with the RAMP program. How do you explain these conflicting statements?

Answer: We have indicated that the States are improving their capabilities to obligate funds and to carry out a wide variety of reclamation projects, including those similar to undertakings carried out under RAMP, even though the States' unobligated balances are too high to recommend an increase in grant funding. Consequently, we believe that the State grants program, not RAMP, is the most effective way to get reclamation work. Given the limited amount of AML funding available over the life of the program, it is preferable to fund the highest priority projects first. The State grant program, with its emphasis on priority 1 and 2 projects, has proved superior to RAMP in this regard.

111: Question: Your budget (pg. 108) shows the AML Fund unappropriated balance to be $407.2 million in Fiscal Year 1986 and growing to $444.5 million in Fiscal Year 1987. While I can understand slowing down the State Reclamation Grants if the States are in fact having difficulties using the money that has not been a problem in the RAMP program. How then can you justify refusing to spend this money which is collected specifically for the purpose of reclaiming abandoned mine land when their is still so much reclamation work to be done?

Answer: As noted above, the funds available over the life of the AML program are limited, and should be targeted to carry out high priority projects which are more likely to be carried out under the State grant program than under RAMP. Furthermore, maintenance of the RAMP results in additional expenditures for administrative costs instead of actual reclamation.

Acid Mine Drainage Report

112: Question: The Statement of the Managers on the Fiscal Year 1986 Continuing Resolution directed OSM to focus attention on processes which have demonstrated possible long-term or permanent control of bacterial action and acid formation on lands to be reclaimed under the AML program. OSM was to report to the Committee its findings. Has that report been completed? Would you provide it to the subcommittee.

Answer: OSMRE has completed the requested report entitled "Long Term Control of Acid Formation on Abandoned Mine Lands" and submitted it to the Committee. The report highlighted two approaches to acid mine drainage (AMD) control that have potential to yield long term or permanent solutions. These are the use of anionic surfactants and artificially constructed wetlands. However, the report stresses that additional research is required for each technique before it can be considered either a permanent or effective control method for AMD. The report concludes that plans for Fiscal Year 1987 abandoned mine land research include solicitation of research proposals on other methods of AMD control.

Questions Submitted by Congressman Joseph McDade

State Obligation of Reclamation Grants

113: Question: Last year there was considerable discussion over States unobligated balances. As a result of data that was received by your department, this committee recommended a temporary reduction in state grants. Figures can sometimes be misleading and I am concerned that a multitude of factors were not fully considered regarding these balances.

Pennsylvania submitted their request for funds to OSMRE in January, 1985 and did not receive the grant until October, 1985. Since your department normally takes 60 - 90 days to act on a request, could you explain to this committee why the department took so much time? Isn't it true that Pennslyvania submitted a revised application at OSMRE's request on May 30? Why did it take an additional 5 months to approve?

Answer: There were extensive on-going negotiations between our Harrisburg Field Office and the State of Pennsylvania over the 1985 grant request. To accommodate the State, changes were made in the project mix in the 1985 grant application and some projects originally included in the 1984 grant were moved into the 1985 application at the State's request. Additionally, there were some other technical issues which had to be resolved between the field office and the State. As a result, the completion and processing of the application took longer than usual.

114: Question: The President last year requested $211 million for state grants and you supported that request -- am I correct? If there was a problem with unobligated balances from more than several States, why didn't the department recommend a reduction last year in your budget request?

Answer: The Department did recommend a reduction in the State Reclamation Program Grants activity in Fiscal Year 1986. In Fiscal Year 1985, the President's budget requested $263 million in State Reclamation Grants, and Congress enacted $257.7 million. The Fiscal Year 1986 request of $211 million represented a considerable decrease from Fiscal Year 1985. OSMRE proposed this decrease because the States' unobligated balances were very high, indicating that previous years' appropriations had created a backlog of funding.

115: Question: What action was OSMRE taking internally to help the States with this problem? Why would OSMRE continue to award funds to the States that had the most severe problems?

Answer: OSMRE continues to work with States that have obligation rate problems. Several States have been put on notice that failure to obligate funds within the required three year period may result in loss of these funds to the State.

116: Question: Do you agree that under the statute a State has three years to obligate funds? Do you agree that States which intend to obligate within this time period should not be penalized for taking the full period?

Answer: We are in agreement that under the Act a State has three years to obligate funds. No funds will be deobligated by OSMRE within this three year period. OSMRE will continue to work with each of the States individually to assure grant fund obligation as rapidly as possible.

117: Question: Percentages can be misinterpreted, for example Pennsylvania's current obligation rate for 1984 construction (with Centralia factored out) is 22 percent. However, on closer examination, it is clear that they are so far along in their design and planning that they anticipate reaching a 90 percent obligation rate by September of this year -- a full one year before the law requires the funds to be spent. Could other States be in a similar position?

Answer: In determining the obligation rate of individual States, OSMRE had each of the field offices do a careful analysis of how the States obligate funds and the factors involved in the obligation process. The recent report submitted to the Subcommittee is based on our analysis of that information. OSMRE will continue to monitor obligation rates in accordance with the Subcommittee's wishes, and will submit reports to the Subcommittee in that regard.

Assistance to States for Improving Obligations

118: Question: I understand that some State programs may not be as efficient as Pennsylvania. In those cases, what steps is OSM taking to assist the States in improving their project planning and contracting process? Please detail.

Answer: The following are examples of how OSMRE assists those States who require improvement in their project planning and contracting procedures:

- OSMRE Field Office staff found that delays in executing an architectural and engineering (A/E) contract by a State was caused by insufficient staff. The State then hired additional staff to monitor the A/E contract, resulting in improved project planning and implementation.

- Another State had problems with cumbersome procedures for contract appraisals. The State found that changes to its internal procedures would cost more than the State derived from its small AML program. Contracting procedures were expedited after OSMRE field staff determined that contract appraisals would not be required unless specific lien issues arose.

119: Question: There has been some confusion over when funds are actually obligated and I think we should discuss this for the record. Pennsylvania claims that funds are technically obligated when contracts are signed for specified work. They claim that moneys are saved by signing contracts early even if the actual construction work and paydown takes several years. Would you agree with this rationale?

Answer: OSMRE's definition of obligation is the time when funds are committed by contract, work order, or other document which permits planning, design, or construction work to be undertaken and legally requires the State (or the Federal government) to pay for work performed. Once the money is obligated, OSMRE actually disburses money to the State under the letter of credit procedure on the basis of cash flow needs as reported by the State.

120: Question: In the February 7, 1986 issue of Environment Reporter, Secretary Hodel was quoted as saying that the proposed fiscal 87 cuts would not affect the pace of mine reclamation because a large reserve of unobligated funds was available to cover State requests in 87. Do you agree with this statement? Isn't it true that when OSM approves a grant request, all moneys are not available for new requests?

Answer: Secretary Hodel's statement to the Environment Reporter is correct. As our justification shows, the large amount of unobligated funds is more than sufficient to continue reclamation work through Fiscal Year 1987 at a sustained pace. It is true that when OSMRE approves a specific grant request, the monies are obligated for the specified projects included in the grant request.

Apportionment of Secretary's Discretionary Share

121: Question: As part of the FY 1986 Continuing Resolution, the statement of the managers directed the Office of Surface Mining to submit an analysis of the merits of all allocation formulas which have been discussed to date prior to hearings on the department's FY 1987 budget. The bill also states "that expenditures of moneys as authorized in Section 402(g)(3) shall be on a priority basis with the first priority being protection of public health, safety, general welfare, and property for extreme danger of adverse effects of coal mining practices, as states in Section 403 of Public Law 95-87, the Surface Mining Control and Reclamation Act of 1977." Could you explain to this committee why the formula for apportioning the Secretary share of AML funds was changed without consultation with the appropriate committees? Why did OSM use the new 50 percent inventory, 50 percent historic formula to make the 86 allocations?

Answer: As requested in the FY 1986 Continuing Resolution, OSMRE presented to Congress an analysis of the available formulas to allocate the Secretary's discretionary share of the AML fund. The original proposed formula, based solely on the AML inventory, was never approved as a final formula because of extensive controversy over concerns about inaccurate and incomplete data in the inventory.

Section 402(g)(3) of SMCRA authorizes the Secretary to expend the balance of the fund in any State to meet the purposes of Title IV. The purpose of Title IV is anticipated in section 102(h) of the Act as promoting reclamation of mined areas left without reclamation prior to the passage of the Act which endangers the health or safety of the public or degrades the quality of the environment. Therefore, the Secretary's share should be apportioned to States based on the severity of problems from past mining without consideration of the sources of the fund.

There are basically two ways to approach determining the distributions of problem sites. One is to go out and count them. The other is to assume that they will occur in relative proportion to past coal production. OSMRE, in connection with the States, developed an inventory of priority 1 and 2 sites (those that present the most severe problems). While the completeness and consistency of that inventory has been questioned, it clearly is an indicator of the distribution of problem sites.

OSMRE believes that the most equitable method of apportioning the Secretary's discretionary share of the AML Fund is a combined use of the AML inventory and historic coal production. We are using this approach in Fiscal Year 1986. Under this method, each State's percentages of priority 1 and 2 problems contained in the AML inventory and historic coal production are considered, which results in a weighted average for use in the apportionment.

Our recommendation will be presented to the appropriations committees before September 1986 so that appropriate consultation is achieved prior to the distribution of Fiscal Year 1987 appropriated funds.

122: Question: Do you agree that taking care of the nation's most severe health and safety problems should be one of OSM's highest priorities? If so, could you explain to this committee why you would recommend a formula change which channels those critical funds away from States such as Pennsylvania and Kentucky which have the highest rates of priority 1 and 2 projects?

Mr. Chairman, I would like to submit for the record a ranking by State of priority 1 and 2 projects and their percentage of the National total.

PRIORITY 1 and 2	PECENTAGE OF NATIONAL TOTAL
1. PA - 500	36%
2. KY - 191	14%
3. WV - 138	10%
4. OH - 96	7%
5. AL - 60	4%
6. IL - 55	4%
7. VA - 45	3%
8. IN - 28	2%

* The States above were leaders in coal production prior to 1977.

9. TN - 30
10. MD - 10
11. GA - 9

* The above States produced 92% of all coal before 1977; they also represent 85% of all priority 1 and 2 areas in the U.S.

MI - 17
ND - 14
WY - 9
NM - 7
KS - 13
AK - 10
CO - 4
MT - 8
OK - 45

Answer: OSMRE agrees that a major priority is to address the Nation's most severe health and safety problems that are related to abandoned mine lands. Under the proposed 50-50 formula, the six States with the largest number of priority 1 and 2 problems (Pennsylvania, Ohio, Kentucky, West Virginia, Virginia, and Illinois) would receive over 80 percent of the available discretionary share funds.

123: Question: Let me express my concern about another area which seems to have been given a low priority by this department and that is the AML inventory list. Correct me if I am mistaken, but your department has been attempting for several years to update the list of the nation's highest priority projects. Is that correct? When will this list be completed?

Answer: OSMRE intends to have all inventory updates in the computer by September 30, 1986, for use in determining the apportionment of AML funds. We realize, however, that new sites may be disclosed thereafter. The inventory will be adjusted accordingly.

124: Question: Since this updated list contains the most severe health and safety problems, why would you recommend a formula change prior to completion of this list?

Answer: For Fiscal Year 1987 and thereafter, inventory data updated as of September 30, 1986, will be used along with historic coal production data. Given the September 30 deadline, however, this updated inventory data is not available for use in 1986.

125: Question: Has your department evaluated the impact of the new proposed formula on the percentage of priority 1 and 2 projects that can be cleaned up by 1992? Have you carefully studied the other proposals and their impact? Please detail.

Answer: A full evaluation of the impact of the proposed formula and other alternatives to address priority 1 and 2 problems will be made once the inventory update is done. As noted above, however, we expect that the proposed formula would allocate over 80 percent of the available discretionary share funds to the six States with the highest number of priority 1 and 2 projects.

FRIDAY, JANUARY 31, 1986.

COMMONWEALTH OF PENNSYLVANIA

WITNESS

JAMES O. PICKARD, SECRETARY OF COMMERCE

Mr. **MURTHA**. Good morning and welcome. The Interior Subcommittee on Appropriations is here in Johnstown to hear testimony regarding the National Park Service's Reconnaissance Survey of Western Pennsylvania Roads and Sites which our subcommittee commissioned last year. Joining me today is the ranking Republican Member of the subcommittee. Ralph and I have served on the Interior Subcommittee for 10 or 11 years together and he is from Canton, Ohio. He has the Pro-Football Hall of Fame in his district, so he knows something about tourism, and he knows something about attracting people to his area.

He has real Ohio hospitality, and I appreciate Ralph coming out here. We have traveled a number of times together to different places, and I have always enjoyed it. We appreciate all of you coming and look forward to receiving your testimony.

The subcommittee has been aware of these efforts to shape up our two national parks and to provide opportunities for visitors. We continue to make substantial progress on these parks, but in my estimation these isolated efforts could be integrated into a larger effort to benefit the entire area.

Secretary Pickard and I were talking before about the need to get together, and the fact that tourists don't understand the county line. They only understand the attraction that they use. I think that is so important for us to emphasize that. The study that most of you have seen shows that the Johnstown area has a great potential for development of a new tourism infrastructure. While we already have a number of dispersed attractions, we may be able to tie together these efforts in a way that could stimulate business and capital investments in our area.

The National Park Service has some very fine professional people, some of those who have been and run the Lowell National Historical Park in Massachusetts. Some of you have seen Lowell, Massachusetts and know the kinds of things they have done there to revitalize the economy, to even the beauty of this mill town. Through this hearing, we would like to find out if there is an interest in similar programs for our area.

Let me caution you that such a program requires private sector involvement, a great deal of community support, and a commitment from all levels of public officials. We would have to do it without the heavy hand of the Federal Government as a sole supporter. But if we can bring together these parties with an interest and a stake in such a project and the National Park Service provides the expertise and planning assistance, we can get it off the ground, and I think do some real good.

So I welcome you here and turn to Ralph and see if he has any comments.

[The statement of Mr. Murtha follows:]

JOHN P. MURTHA
12TH DISTRICT, PENNSYLVANIA

COMMITTEE
APPROPRIATIONS

Congress of the United States
House of Representatives
Washington, DC 20515

OPENING STATEMENT BY CONGRESSMAN JOHN P MURTHA - JANUARY 31, 1986

GOOD MORNING AND WELCOME. THE INTERIOR SUBCOMMITTEE OF APPROPRIATIONS IS HERE IN JOHNSTOWN TODAY TO HEAR TESTIMONY REGARDING THE NATIONAL PARK SERVICE'S RECONNAISSANCE SURVEY OF WESTERN PENNSYLVANIA ROADS AND SITES WHICH OUR SUBCOMMITTEE COMMISSIONED LAST YEAR.

JOINING ME TODAY IS THE RANKING MINORITY MEMBER OF THE SUBCOMMITTEE, REP RALPH S REGULA, WHOSE DISTRICT OF CANTON. OHIO KNOWS ALL ABOUT TOURISM, BEING THE HOME OF THE PRO FOOTBALL HALL OF FAME AND THE HOME OF PRESIDENT WILLIAM MC KINLEY.

I APPRECIATE THE ATTENDANCE WE HAVE HERE TODAY, AND LOOK FORWARD TO RECEIVING YOUR TESTIMONY.

THE SUBCOMMITTEE HAS BEEN AWARE OF MY EFFORTS TO SHAPE UP OUR TWO LOCAL NATIONAL PARKS, AND TO PROVIDE OPPORTUNITIES FOR VISITORS.

WE CONTINUE TO MAKE SUBSTANTIAL PROGRESS ON THOSE PARKS, BUT IN MY ESTIMATION, THESE ISOLATED EFFORTS COULD BE INTEGRATED INTO A LARGER EFFORT TO BENEFIT THE ENTIRE REGION.

THE STUDY SHOWS THAT THE JOHNSTOWN AREA HAS GREAT POTENTIAL FOR THE DEVELOPMENT OF A NEW TOURISM INFRASTRUCTURE. WHILE WE ALREADY HAVE A NUMBER OF DISPERSED ATTRACTIONS, WE MAY BE ABLE TO TIE TOGETHER THESE EFFORTS IN A WAY THAT COULD STIMULATE BUSINESS AND CAPITAL INVESTMENT IN OUR AREA.

THE PARK SERVICE HAS SOME VERY FINE PROFESSIONAL PEOPLE, AND THOSE OF YOU WHO HAVE SEEN LOWELL, MASSACHUSETTS KNOW THE KINDS OF THINGS THAT CAN BE DONE TO REVITALIZE THE ECONOMY AND EVEN THE BEAUTY OF A MILL TOWN. THROUGH THIS HEARING, WE WOULD LIKE TO FIND OUT IF THERE IS AN INTEREST IN SIMILAR PROGRAMS FOR OUR AREA. LET ME CAUTION YOU THAT SUCH A PROGRAM WOULD REQUIRE PRIVATE SECTOR INVOLVEMENT, A GREAT DEAL OF COMMUNITY SUPPORT, AND COMMITMENT FROM ALL LEVELS OF PUBLIC OFFICIALS. WE WOULD HAVE TO DO IT WITHOUT THE HEAVY HAND OF THE FEDERAL GOVERNMENT AS THE SOLE SUPPORTER. BUT IF WE CAN BRING TOGETHER THOSE PARTIES WITH AN INTEREST AND A STAKE IN SUCH A PROJECT, AND THE PARK SERVICE PROVIDES THE EXPERTISE AND PLANNING ASSISTANCE, WE CAN GET IT OFF THE GROUND.

Mr. **Regula**. Well, I do not have a lot of comments; however, I appreciate this chance, and I come from a county somewhat similar to this, not quite as mountainous. But I have enjoyed what brief time I have had. As I told Congressman Murtha yesterday, I had to choose this morning between going to a caucus with the President or coming here so you see where I am.

Mr. **Murtha**. I will tell you, we appreciate that because the President is at the height of his popularity now, and we appreciate Ralph coming here. And he is so important to us because he really—being the ranking Republican on our Interior subcommittee, helps make the decisions about where the money is going to be spent. Sometimes you get the impression that there is not going to be any money left over when you hear so much about Gramm-Rudman.

There is going to be money left over and priorities are going to be decided by each of the individual committees. And so that is what we are trying to do at this hearing is to establish the fact that we can reduce unemployment in the long run, and reduce the cost of the Government if we have programs like this.

So our first witness today is Mr. Pickard, Secretary of Commerce, who has done such an outstanding job in attracting industry to Pennsylvania, and has been so involved in revitalizing Pennsylvania. We appreciate your coming in and we know you have a busy schedule, and we will send you a transcript of what has been said here today and thank you very much.

Mr. **Pickard**. Thank you, Congressman, and thank you for giving us the opportunity to come here today and share with you the perspective of the Pennsylvania Department of Commerce, particularly as it relates to travel and tourism development. And most particularly, how it relates to this given region of the state, and I really want to emphasize the fact that we are saying region, and we are not saying a county or we are not saying any particular governmental subdivision.

Just to quickly summarize some of the testimony that I have submitted in full form, since 1979 we obviously have been spending a great deal of money and effort here in Pennsylvania in full recognition that travel and tourism is a meaningful tool when we are talking about economic development.

Just to put it in terms of numbers, last year for the first time in the history of this state, over $8 billion was attracted and spent for goods and services by our visitors here in Pennsylvania, and in addition to that, it has provided employment for nearly 200,000 of our fellow Pennsylvanians in that industry.

So, it is obvious that it is a growing segment, one that provides good paying, steady employment, and one that we want to foster full participation on by every area of the state. We have had excellent cooperation in this area, we now have basically a six-county regionalism approach here, and as you well point out, when our visitors come to Pennsylvania, they don't look at a county line or a political subdivision line.

They are here in an area of the state, and if we can do anything within our joint partnership to encourage them to stay that extra day or days, then, of course, the incremental dollars go way up, the jobs increase accordingly, and there is a great deal to market in this area.

I would emphasize that we have found that the most effective approach is surely one of partnership. It takes the Federal, state and local government, in addition to the private sector participation if, in fact, we are going to have the meaningful growth and continued growth in travel and tourism. And we welcome the opportunity to be here today and to participate.

I would, at this point, introduce my associate, Mr. Chris Umble, who is our Director of Travel and Tourism for the Department of Commerce. And I think between the two of us, we will hopefully be able to answer any questions.

[The statement of Mr. Pickard follows:]

TESTIMONY OF
JAMES O. PICKARD
SECRETARY OF COMMERCE
COMMONWEALTH OF PENNSYLVANIA
BEFORE
HOUSE APPROPRIATION COMMITTEE
SUBCOMMITTEE FOR INTERIOR AND RELATED AGENCIES

JOHNSTOWN, PENNSYLVANIA
JANUARY 31, 1986

DRAFT TRAVEL TESTIMONY

Good morning, Mr. Chairman and members of the committee. I am James O. Pickard, Secretary of Commerce for the Commonwealth of Pennsylvania. I appreciate the opportunity to appear before you today to offer the perspective of the Pennsylvania Department of Commerce to this hearing on the National Park Service's 1985 Reconnaissance Survey of Western Pennsylvania Roads and Sites.

While I understand that the committee will be examining any number of areas, I will focus my perspective on travel and tourism.

Travel has become an essential part of Pennsylvania's economy. In 1984, travel expenditures totaled almost $8 billion in the Commonwealth, with more than 183,000 of our men and women working full time in this industry.

The Commerce Department's Bureau of Travel Development was created specifically to encourage the growth of travel in Pennsylvania, and Governor Dick Thornburgh's administration has not only supported, but greatly expanded that commitment.

Governor Thornburgh and the members of the General Assembly funded Pennsylvania's entry into professional tourism marketing in fiscal year 1979-80 through our "You've got a friend in Pennsylvania" campaign. We were the second industrialized state to include a meaningful travel and tourism program in its economic development efforts.

Governor Thornburgh was convinced of travel's role in the economic revitalization of Pennsylvania after meeting with leaders of Pennsylvania's travel industry before he took office in 1979. Moreover, he was -- and is -- confident of the particular abilities of the Commonwealth's travel industry to provide the kinds of experiences which will convert first-time visitors into repeat customers.

While other states struggled to "create a marketable image," Pennsylvania had an already established, positive image on which to build. Our early marketing studies showed that visitors associated four main qualities with Pennsylvania. They are: history, culture, outdoor sports and recreation, and friendly people.

Building on these strengths, we based our campaign on these "friends in Pennsylvania." Annual travel expenditures have grown by $3 billion since this campaign began, and more than 7,500 new jobs have been created in that time. And these successes have not gone unnoticed by other states.

Today, virtually every state is involved in travel advertising. More importantly, many have targeted their advertising directly at Pennsylvania's primary market. Our traditional consumers are seeing television broadcast advertising from Massachusetts, Ohio, New Jersey, the Carolinas, Virginia and West Virginia, Alaska, Maryland, New York and Florida.

Moreover, Michigan, Illinois, Kentucky and Texas are planning major budget increases. Even California, which for years had no advertising budget for tourism, last year budgeted $5 million for advertising.

The rising level of competition among states to attract the tourist dollar is one sign that travel has matured as a tool for economic development. Travel's arrival as a widely accepted economic development tool has not only resulted in the increased state budgets for tourism advertising, but it has also generated the need for increasingly effective promotion and advertising at the destination level.

In recognition of this fact, representatives of Pennsylvania's travel industry, the tourist promotion agencies, and our Bureau of Travel Development have worked to develop recommendations which meet the need for increasingly competitive marketing of Pennsylvania's destinations.

Among the recommendations which have been endorsed by the private sector through the Pennsylvania Travel Council, and by the tourist promotion agencies through the Travel Pennsylvania Association, are proposals to foster regional cooperation.

We wish to maximize the overall impact of our efforts by eliminating divisions among the marketing of distinct destination areas and the inefficiency resulting from frequent duplication of effort.

For example, in the past, Pennsylvania's famed Lehigh Valley was being promoted by its constituent counties, each with its own tourist promotion agency, one saying "Visit Northampton County," the other urging "Travel to Lehigh County." But this is changing. Now, the synergy occurring as the result of administrative merger, and a recognition of the marketing benefit of promoting the Lehigh Valley, have unified the region into one natural destination.

Other areas of Pennsylvania realized the wisdom of regional cooperation in marketing even before the Lehigh Valley did. We are meeting today at the doorstep to one of the state's best known regions, the Laurel Highlands. Somerset, Westmoreland and Fayette counties are already operating along cooperative lines.

And here, in Cambria County, we are part of a consortium of six individual county level tourist promotion agencies, counties which, since the early 1970s, have appreciated the natural benefit of regional cooperation through the descriptive title, Southern Alleghenies.

When looking for indications that travel has matured to become an accepted tool for economic growth and stability, we might look simply at this meeting today. With the myriad aspects of facilities, transportation, access and promotion being considered by this panel, let me recognize that an interest in improved regional travel development is our common objective. It is appropriate these deliberations would occur in southwestern Pennsylvania where the residents and businesses have demonstrated their confidence in tourism generally, and in regional marketing more specifically.

Thank you.

Mr. MURTHA. Thank you very much. Are you familiar with the Lowell project and what is happening up there, Mr. Secretary?

Mr. PICKARD. Yes, we have been aware of that for quite some period of time. The revitalization that occurred in an older industrial state somewhat similar to Pennsylvania has, indeed, been meaningful. And I think one that is worthy of imitation.

Mr. MURTHA. Do you see the possibility, if we can put something together here, of some state money being available for a project in a regional area like this that could have some real impact on tourism?

Mr. PICKARD. Well, I think it is a typical project that we could look to encourage. When we talk about encourage, we are talking about tangible encouragement. As this begins to evolve and more facts become known and the need for funding is amplified, I can assure you that the administration in Harrisburg would be very receptive to participation.

Mr. MURTHA. Let me say that Bud Shuster supports this entirely. He could not be here today and he apologizes, but, of course, we have worked so closely together on developing the road networks in this area.

As a matter of fact, more money was spent in these two districts in the last couple years than any other district in Pennsylvania, and maybe in the country at one time because they were cutting back a little bit, and we had some good size projects going in this area. And, of course, there were state and Federal money in most of those projects.

It has been important to us because the obvious ramifications of being able to get people in and out. We are working, trying to extend Route 219 for the obvious reasons and trying to improve Route 22 which would also help get people into this area in a much easier manner.

So, we do appreciate your comments and your coming up here today. Do you have any questions for the secretary, Mr. Regula?

Mr. REGULA. Just one. What success have you had in keeping the Pennsylvania people in Pennsylvania, because part of it is to make them realize the attractions of their own area for vacation purposes?

Mr. PICKARD. You bring out an excellent point, Congressman, and one that we are involved with almost on a daily basis, trying to encourage our Pennsylvanians to spend their vacations in Pennsylvania.

It does us little good to attract visitors from out of state when, in fact, we lose our own people to neighboring states with their vacation dollars. I think we have had a high degree of success on it, particularly since Congressman Murtha rightly points out our highway systems have been improving with his support and with the support of the congressional delegation.

That is an important aspect of Pennsylvanians, they want to be able to have the mobility to move around our state because we have, without getting into a sales pitch today, just a wide range of attractions ranging all the way from Philadelphia to Pittsburgh

Surely this is a key area. This is what we consider to be a corridor area. With full development we have that traffic pattern developing between west and east and north and south with the completion of several of the highway routes we are talking about.

There is a history, if you will—that can be capitalized upon. It is a subtle tradition, one that needs to be brought out in greater magnification. But that is appealing to Pennsylvanians, particularly as they look back on their heritage, as they reflect on what this state has contributed to the national and international economy. We believe that that can be encouraged and Chris Umble may just want to give you a couple of numbers on the retention rate of our visitors here.

Mr. UMBLE. Thank you, yes. Congressman, the point you make is a good one and it is one that we have recognized from the outset with the "You've got a friend in Pennsylvania" marketing effort. Nearly 50 percent of the $8 billion visitor spending in Pennsylvania actually occurs from Pennsylvanians, so it is our own biggest market. And one that is being, because of our heavy population, heavily attacked by other states, such as Ohio.

Mr. REGULA. We are friendly.

Mr. UMBLE. But, we see the need, as you point out, to keep the Pennsylvanians in Pennsylvania and attract others from out of state. Our retention rate has been good I think, in light especially of the fact of a heavy influx of new advertising from increasingly competitive states like your own.

Mr. REGULA. I went to Philadelphia the weekend that they had for the members and was really pleasantly surprised, having not been in Philadelphia for a number of years, at what is happening there. It was a very pleasant experience and that is certainly part of what we are trying to encourage.

Mr. MURTHA. Well, Pittsburgh is the number one city and Philadelphia had 85 Members of Congress—of the House and the Senate—there for a weekend. It was an expensive proposition, but every comment I heard was that it went very well and people were so impressed. It is so close to Washington they were stunned by what was available to them in Philadelphia. We need to do more of that kind of thing.

We have a little memento for you, Mr. Secretary, representing the governor. This is big coal country, you know, and one of our mines—and the mine is visited a lot. This is a handsome coal miner for you, Mr. Secretary.

Mr. REGULA. Incidentally, Jack, I thought we could have a meeting of the Congress in Philadelphia on the 200th anniversary.

Mr. MURTHA. That is a good point that Ralph is making. We are working on trying to have the 200th anniversary of the first meeting of Congress in Philadelphia. I think that will be a success and it is something we look forward to.

Mr. PICKARD. We look forward to collaborating with you on that, Congressman. We have been supportive of that, we are involved and that is the birthplace of the Nation, that would be a most fitting meeting.

More importantly, I recognize Philadelphia and Pittsburgh as being number one and number five nationally from quality of life. Let us also keep in mind that between those two, we have got a great untapped resource; and most particularly in this region, we want to maximize that as well. Thank you very much.

Mr. Murtha. Thank you very much for coming.

Friday, January 31, 1986.

NATIONAL PARK SERVICE

WITNESSES

DON CASTLEBERRY, DEPUTY REGIONAL DIRECTOR, MID-ATLANTIC REGION

RANDY COOLEY, SUPERINTENDENT, ALLEGHENY PORTAGE RAILROAD NATIONAL HISTORIC SITE AND JOHNSTOWN FLOOD NATIONAL MEMORIAL

CHRYSANDRA WALTER, SUPERINTENDENT, LOWELL NATIONAL HISTORICAL PARK, MASSACHUSETTS

RON JOHNSON, SUPERVISORY HISTORIAN, DENVER SERVICE CENTER

RICH GIAMBERDINE, SENIOR OUTDOOR RECREATION PLANNER, DENVER SERVICE CENTER

OPENING REMARKS

Mr. Murtha. Could we have the Park Service panel come up headed by Mr. Castleberry, Mr. Johnson, and Mr. Giamberdine.

Thank you very much for coming. We have been impressed by the work you have done in the past. If you will identify yourself for the record, Mr. Castleberry, and the gentlemen that are with you.

Mr. Castleberry. I thank you, Mr. Chairman. My name is Don Castleberry and I am Deputy Regional Director of the Mid-Atlantic Region, National Park Service, located in Philadelphia, Pennsylvania.

The people here today with us from the National Park Service are: Randy Cooley, Superintendent of Allegheny Portage Railroad National Historic Site, and Johnstown Flood National Memorial; Sandy Walter, Superintendent of Lowell National Historic Park, Massachusetts; Ron Johnson, Supervisory Historian, Denver Service Center; and Rich Giamberdine, Senior Outdoor Recreation Planner, Denver Service Center, and also on the team that did the study.

Mr. Murtha. We can just tell, Ralph, that Mr. Johnson is so dedicated the last time he came to Johnstown he flew into Pittsburgh. He did not have his license with him, he was supposed to rent a car and he could not rent a car. So he got a taxi and came in by taxi. He did not have enough money to pay for the taxi, so we got him out of jail.

You have an alloted amount of time to proceed in the manner you choose and your testimony will go into the record. Please proceed as it suits you best.

Mr. Castleberry. Thank you sir. I will not read my prepared statement that has been provided to you.

I would like to just summarize, if I might, that the National Park Service was very pleased to conduct this reconnaissance survey and to carry out the study. We completed it back in September of 1985 and identified sites of both state and national significance representing a very rich and diverse history of this part of the country.

The study briefly identified four alternative concepts which have been laid out in the plan. Those may be adjusted or chosen from or mixed and matched as the individuals interested here in this area seem to find most appropriate.

I think it is most important to emphasize that the study talked most about the implementation of any alternative requiring the active support of the many diverse public and private interests in this area. It would be difficult for us to be successful without that support.

We believe that the National Park Service does have considerable experience and expertise in working with such groups and we are excited about the opportunity suggested in the study to cooperate with both the private, the local and state interests in the protection and enhancement of both the cultural and natural resources of western Pennsylvania.

It would be appropriate for the National Park Service to offer professional advice and technical support in this effort.

So we thank you for the opportunity to be here. I think each of my colleagues had planned to make a brief comment and two of them, at least, have submitted prepared statements.

[The statement of Don Castleberry follows:]

Statement of Don H. Castleberry, Deputy Regional Director, Mid-Atlantic Region, National Park Service, before the House Appropriations Subcommittee on Department of the Interior and Related Agencies, January 31, 1986.

Mr. Chairman, as part of its historic preservation mission, the National Park Service has been authorized by the Historic Sites Act of 1935 to conduct surveys, publish studies and otherwise encourage the preservation of historic properties not owned by the Federal Government. This authority was further enhanced by the National Historic Preservation Act of 1966 which widened the scope of the National Register of Historic Places and established a program of Federal matching grants for historic preservation. On October 12, 1984, Congress passed Public Law 98-473 that, among other things, directed the National Park Service "to study roads in Pennsylvania in the area of Johnstown Flood National Memorial and Allegheny Portage Railroad NHS for consideration as parkways." It is within this legislative framework that this Reconnaissance Survey of Western Pennsylvania Roads and Sites was conducted.

The survey focused upon the significant cultural resources of the Southern Allegheny Region of Pennsylvania, primarily those in Blair and Cambria Counties, and made an evaluation of their potential national significance. Many significant natural and cultural resources were found offering a wide variety of means for tourism promotion. Since tourism is the third largest industry in this country, a substantial financial impact could occur if any of the alternatives offered in the plan are implemented.

Recently, the Director of the National Park Service, William Penn Mott, Jr., developed a 12-Point Management Plan designed to strengthen public trust while revitalizing the operation and mission of the agency. Three of those 12 points directly apply to the suggested alternatives in the Reconnaissance Survey performed by the Denver Service Center. Director Mott's point Number 1 "encourages the protection and enhancement of other publicly and privately owned cultural and natural resources." The fifth point of his plan states that the National Park Service should "inform specialized audiences about the range of support services offered and how each can help the other." Number 8 states that the National Park Service should "cooperate with state and local governments in providing complementary park experiences and expanded opportunities for diverse recreational uses."

In summary, we are excited about the opportunity suggested in the Denver study to cooperate with private, local, and state concerns in the protection and enhancement of the cultural and natural resources of Western Pennsylvania. It would be appropriate for the National Park Service to offer professional advice and technical support assisting in developing opportunities for tourism resulting in the revitalization of the Region's economy.

Mr. Chairman, thank you for the opportunity to present this testimony. I and my colleagues are prepared to answer questions you may have.

COMMENTS BY RON JOHNSON

Mr. CASTLEBERRY. If I might I would just ask Ron Johnson to make a brief statement.

Mr. JOHNSON. I am very pleased to be here this morning to offer our comments about the study that was undertaken in January of last year in response to a congressional mandate. I will not go into the reading of my statement—that is obviously in the record—but I would like to make a few comments and respond to any questions that you might have.

The study team consisted of four veteran planners dealing with these kinds of projects across the country. Landscape Architect Giamberdine, I am an historian, and two names I should mention for the record: Michael Spratt, an outdoor recreation planner, and Keith Dunbar, who is a community planner, also worked on the study and gave us valuable support in making this a true interdisciplinary study and approach.

Our methodology involved several trips to the area. We toured the area by car, we took an overflight in a helicopter, we did a great amount of background reading on the area and we talked to a number of individuals, local experts, if you will, in historical societies and local agencies, et cetera, seeking information. This indeed is a technical document and it reflects the contacts that we made.

We also had very good support from Superintendent Cooley and his staff at the Allegheny Portage National Historic Site. What we found in the study, Mr. Murtha and Mr. Regula, is that there is a diversity of resources in this area.

We looked initially at a regional approach and quickly focused down to a couple of counties, just in terms of the study, in terms of where we found the resources concentrated. We found a diversity of scenic, recreational, natural and cultural resources.

But the point that I would make and the point that I think comes out in the document, that it is the cultural resource base in this area that provides, I think, the most significance, the most integrity, in terms of looking at it from NPS criteria and the national viewpoint. This is not to denigrate any of the other resources in the report but looking at it in terms of the criteria by which we operate.

The two concentrations of cultural resources that we found, and Rich can talk about the alternatives in a moment, are transportation related and heavy industrial-, iron-, and steel-related.

The transportation centers around the Conrail. The Pennsylvania Railroad Locomotive Works over in Altoona are very significant in terms of production levels, quality of workmanship, in terms of technology, et cetera, et cetera. Again, that comes out in the statement and in the document.

There are a number of extant buildings that are still there that possibly could be interpreted at some future point. The same hold true with Johnstown in terms of the iron and steel industry.

We took a close look at the Bethlehem plant, and not by any means a comprehensive. There are many, many buildings out there, but the important thing that struck us was a collection of about six structures that survived the flood of 1889 and that go back to the maturation of the iron industry prior to the Civil War period.

Those six buildings reflect the history of Cambria Iron Company which was the precursor to a great steel company that developed at Bethlehem and which is there at the present time. Then, also, the great steel works in the Monongahela Valley to the west and other areas of the country.

In summary, looking at these cultural resources from our estimation in doing this cursory overview, we find them to be of potential national significance. We have not gone through the national rich or historic places process and the rest of that and recommended some research be done. But in my contacts with people at the Smithsonian, in the Shippo's office, people down in Sloss Furnace in Birmingham, Alabama, they know of the Cambria and they know of its significant past.

I think that would conclude what I wanted to say in terms of cultural resources. So if you have any questions I would be glad to respond to them or turn it over to Mr. Giamberdine.

Mr. MURTHA. Why don't we wait to ask questions unless Ralph has a question.

Mr. REGULA. I don't have questions at this point.

[The statement of Ron Johnson follows:]

STATEMENT OF RONALD W. JOHNSON, SUPERVISORY OUTDOOR RECREATION PLANNER, DENVER SERVICE CENTER, NATIONAL PARK SERVICE, U.S. DEPARTMENT OF THE INTERIOR BEFORE THE APPROPRIATIONS SUBCOMMITTEE ON INTERIOR AND RELATED AGENCIES CONCERNING SIGNIFICANT CULTURAL RESOURCES IN WESTERN PENNSYLVANIA THAT COULD PROVIDE A NEW TOURISM FOCUS.

January 31, 1986

Members of the committee, it gives me great pleasure to be here today to discuss the area's significant cultural resources base.

Despite the bountiful natural, scenic, and recreational attributes in the Cambria and Blair county area, the cultural resource base provides the most potential for a new tourism focus. The Denver Service Center team evaluated two major concentrations of cultural resources in Altoona and Johnstown as well as scattered ancillary resources in outlying areas. The two groups of resources, if properly managed and promoted could serve as an integral part of an increased visitor interest in the southern Alleghenies region and provide the foundation for a tourism-oriented approach to economic growth and development. Specifically these cultural resources are linked to the development of transportation and the iron and steel industry.

The Southern Alleghenies reflects a rich and diverse history. As with many regions throughout the nation, the historical origins and development of western Pennsylvania were marked by exploration and settlement as well as bloody conflict between Native Americans and pioneers in the mid-18th century. Although agriculture provided an early mainstay to the local economy, transportation was the original growth industry in western Pennsylvania, which, was followed by iron and steel production.

The region witnessed the improvement of ancient Indian paths to trails, primitive roads, and then the construction of frontier tollroads such as the 77-mile Huntingdon, Cambria and Indian Turnpike in the early 1800s. The state constructed a major east/west canal, the Pennsylvania Canal through the area in the 1820s and 1830s. This canal linked Philadelphia with Pittsburgh. Canal construction had reached the tiny frontier community of Hollidaysburg in 1831 at the eastern side of the steep Allegheny Front. By 1834 the innovative Allegheny Portage Railroad, a system of inclined planes and short railroads, connected Hollidaysburg and Johnsontown, 37 miles to the west. Thus heavy barges were hauled over the steep hills between the two communities. Despite this sytem, the heyday of the Pennsylvania Canal ended quickly, but not before it had sparked much growth in frontier communities astride its path. Hollidaysburg, Johnsontown and Blairsville owed much to its development of Altoona. The construction of the Horseshoe Curve, just west of the city, in 1854 permitted trains to ascend the Allegheny Front and traverse the mountains. Horsehoe Curve has provided a vital link in east/west rail traffic since the 1850s and this engineering marvel continues to serve Conrail (successor to the Pennsylvania Railroad) as a mainline transportation system.

The Pennsylvania Railroad constructed its support facilities in Altoona. Huge locomotive works known as the Altoona machine shops and Altoona car shops, provided stable employment for thousands of workers since the mid-19th century. Altoona attracted the finest mechanics, engineers, artisans, and craftsmen of the day, and it was a veritable mecca of the 19th century railroad technology. A department of physical testing was established in 1874, a chemical laboratory a year later, and a bacteriological laboratory in 1889. By 1889, with demand outpacing capacity to produce, the Pennsylvania Railroad had built the Juniata shops for the construction of locomotives. This complex was located northeast of the Altoona car shops and was supported by the South Altoona foundaries. The Altoona works, with some 125 buildings and tracks, covered an area of 218 acres, and according to one historian the "largest group of railroad shops in the world." This complex employed 11,200 persons at its prime,. and by the end of World War II, 7,000 locomotives had been built in Altoona.

In the final decades of the twentieth century, changing modes of transportation such as automobiles, trucks, and planes have led to a precipitious decline in the rail industry in Altoona. The once teeming car shops are vacant or have been turned to other uses by local businessmen. No locomotives are built in Altoona today, although large-scale locomotive rebuilding and repair operations continue at the historic Juniata shops. Giant roundhouses, shops and ancillary buildings have been demolished to avoid unfavorable taxes on unused plant and equipment.

Although much is known about the history and socioeconomic impact of the Pennsylvania Railroad in Altoona, no actual site surveys or evaluation work has been conducted at the former locomotive works or car shops. Local preservation groups such as the Railroaders' Memorial Museum are attempting to promote and obtain funds to evaluate extant significant cultural resources before the buildings and equipment are destroyed because of unfavorable economics.

Along with the growth of transportation, the iron and steel industry at Johnstown grew to national importance in the mid-19th century. From its early days the iron industry was localized in Pennsylvania and elsewhere throughout the eastern U.S., a local industry with small output and impact. For example a small iron industry prospered in Johnstown in the early and mid-19th century because of the availability of ore, limestone and wood, along with a good transportation system afforded by the Pennsylvania Canal. On the other side of the Allegheny Front, Juniata Iron became renowned throughout the eastern seaboard for its high quality. But as local raw materials were depleted and the need for additional capital intensified, the iron industry became concentrated, and Johnstown emerged as one of the early centers. Early technological development in Johnstown helped spark subsequent growth elsewhere.

The Cambria Iron Company began in Johnstown in 1852 and was regarded by its contemporaries as the greatest of the early iron and steel works. It was the forerunner of Bethlehem, Jones & Laughlin and U.S. Steel. By 1860, just prior to the Civil War, the Cambria Iron Company had 1,900 employees on its rolls and was the largest iron-making firm in the nation, and by the late 1880s, it employed 7,000 workers.

Daniel J. Morrell, general manager of the Cambria Iron Company from 1856 to 1884, either brought to Johnstown or kept there the leading metallurgists and technicians of the iron industry, and this favorable situation was instrumental in helping introduce the revolutionary Bessemer process (developed in England) of steel making to the United States in the mid-1860s. Experiments with the Kelly converter, considered by many industry authorities as a precursor to the Bessemar converter, had also occurred at the Cambria Iron Company between 1857 and 1862. Thus the Cambria Iron Company provided a prime training round for many technicians who furthered subsequent growth of the steel industry in the Monongahela River valley near Pittsburgh in the mid-1880s.

The most important single innovation of the pre-Civil War years came out of the Cambria plant in 1857, John Fitz's three-high rolling mill. With this breakthrough in rolling iron in mass quantities, Cambria became the technological leader in producing iron rails for the rapidly expanding railroad industry. The production of quality rails established Johnstown as one of the nation's foremost iron and steel centers. By 1876 Cambria's rail production exceeded any other american plant, with 10 percent of the total nationwide rail output.

The Cambria Iron Company also employed other new technology in the 1860s and 1870s, including the open-hearth process of steel production. The celebrated "Cambria Link" barbed wire, which helped fence the open range of the American West, as well as a huge output of springs, plow steel, rakes and harrow teeth, and other agriculture implements flowed from the Cambria Iron Company in the late 19th century.

Depsite rapid growth in the steel industry which in reality resulted in the demolition of many early buildings and equipment and the disastrous floods that have plagued Johnstown through the years, there are remnants of the original Cambria Iron Company in existence. And even though the 1980s preciptious decline in steel production has led to the razing of many Bethlehem structures in Johnstown, at least six buildings dating from the early Cambria Iron Company remain extent and 1854 blacksmith shop, and adjacent office building, a pattern shop/wood shop with a hose tower, a car shop, an iron foundry and a later 19th century office building in downtown Johnstown that survived the great 1889 flood. Similar to the lack of survey and evaluation of the Conrail facility in Altoona, little site specific work has occurred at the Bethlehem plant (Cambria Iron Works) in Johnstown.

STATEMENT OF RICH GIAMBERDINE

Mr. **Giamberdine**. Thank you. Again, it was a privilege for me also to be here. I discovered the great wealth and resources you have, and it was a scenic experience.

To be brief about it, there were four proposals that centered around the concentration of industrial and transportation themes and early ironmaking, canal building and many rich various ideas.

What the whole region seemed to be screaming for is some conceptual packaging of this in the tourism sense. That is what the four alternatives in the report represent. You see examples of two of them which are in the report.

One being that undoubtedly the existing institutions and so forth are already working on enhancing the tourist potential. That is important and that is a good start. What we try to do is see if there is any potential bridging or, you know, seeding these ideas with other ideas.

The linkage became very important to us. Transportation is, indeed, an important history and a lot of innovation for the Nation took place here, with the canal building, the Portage Railroad and those sites are already nationally significant.

So it seemed to me that Route 22 and its concentration of over three dozen or more major private and public attractions were, indeed, an important part of the packaging. You had Johnstown and Altoona as the major industrial concentrations.

Route 22 stood out as something that had a lot of potential for state and scenic road designation. Not having the ability and the time and the deadline with a particular survey study, it seemed like a potential parkway ought to be looked at by the various agencies, Pennsylvania Department of Transportation and Federal Highway Administration, the two counties and also with the National Park Service expertise as you mentioned, Congressman Murtha.

In any event, this is the span of the alternatives. I mean if one builds on the other—one, two, three and four, just like courses of bricks laid on a home. I am again really excited about what we saw here; I have been traversing the area for years on the Turnpike.

I have never been here even though I have been a member of Mr. Castleberry's region. But we had a good superintendent, good team, genuinely interested in it and most of all the local contacts that Ron Johnson mentioned was something that we could not have done without.

Without their publications, most certainly, we would have never come in as outside experts to do the job we did. So people like Richard Burkhart, and others, we certainly owe a debt of gratitude for. Again, I would be glad to answer any questions that you might have.

[The statement of Rich Giamberdine follows:]

STATEMENT OF RICHARD V. GIAMBERDINE, CHIEF LANDSCAPE ARCHITECT, DENVER SERVICE CENTER, NATIONAL PARK SERVICE, U. S. DEPARTMENT OF THE INTERIOR BEFORE THE APPROPRIATIONS SUBCOMMITTEE ON INTERIOR AND RELATED AGENCIES FOR THE PROPOSED SCENIC ROAD AND OR PARKWAY DEVELOPMENT LINKING THE SIGNIFICANT TOURIST RESOURCES OF WESTERN PENNSYLVANIA.

January 31, 1986

Members of the committee, thank you for the opportunity to discuss with you alternative proposals to link the area's significant tourist attractions through the use of scenic roads or parkways.

The central objective of the Western Pennsylvania Reconnaissance Survey is to provide alternative ways in which the area's attractive varieted landscape and historic sites could be incorporated into a regional tourism focus.

The existing Route 22 is an important linkage between Johnstown and Altoona. Both cities served by this road are of strategic importance for their innovative roles in the development of transporation and heavy industry. Beyond the cities, Route 22 serves the old canal boat basin sites and the historic cities of Saltsburg and Hollidaysburg. The portage railroad, horseshoe bend, early footpaths and pikes, with at least three dozen major private and public attractions, are within easy reach of Route 22.

A scenic road or a newly constructed parkway would link the region's unique resources and characteristics; link important regional centers like Altoona, Ebensburg, Hollidaysburg, and Johnstown; and promote the region's identity to travelers. The concept would be geared toward attracting more visitors to the region and making it easier for them to access area attractions. A scenic road designation, parkway construction, or ever a more formal designation of Route 22 as a state scenic highway would promote the idea of a major tour route and increase the visibility of the vast tourism resources of western Pennsylvania.

The designation of a scenic road would bring improvements such as interpretive signing, information kiosks, and convenience stops for resting, picnicking, and overlooks. These improvements would afford visitors opportunities to become acquainted with the range of experiences offered by Pennsylvania's western Alleghenies.

The parkway option would substantially upgrade the quality of and heighten the range of the overall visitor experience. Its primary purpose would be to dedicate a strip of land for improving the visitors' aesthetic experiences while uniting nationally significant attractions such as the Allegheny Portage Railroad National Historic Site, Johnstown Flood National Memorial, Staple Bend Tunnel, Horseshoe and Muleshoe curves, canal basin sites, and perhaps portions of the Main Line Canal. It would also encompass additional important regional themes, attractions, and tourist services, would increase the appeal of a tour circuit. The themes that could be expanded from a parkway include exposure to 19th and 20th century transporation technology, iron and steel production, coal mining, the region's geology, railroading, locomotive and railcar shops, museums, local handicrafts, mountain and lake recreational sites, historic engineering works, and rural agricultural landscape settings. There would be more vistas, turnouts, and picnic areas, and the road itself would be designed and constructed with aesthetic quality for the visitor in mind.

Improving the road linking all these attractions is an important aspect of marketing future tourism in Western Pennsylvania. Alternatives 2, 3 and 4 explore various ways of improving the visitor experience. In Alternative 2, Route 22 is planned as an interpretive tour route. Existing road are used with properly planned turn-outs displaying exhibits emphasizing the natural history, early transporation and industrial development of the region. Recreational aspects are improved through interpretative trials located within the Route 22 corridor. The establishment of regional information centers and major interpretative sites in the Johnstown-Altoona communities are also part of the general scheme.

Alternative 3 proposes that a transportation corridor study be undertaken using the combined ability of the Federal Highway Administration, Pennsylvania Department of Transportation, Blair and Cambria Counties and the National Park Service. The objective of the joint study would be to survey, evaluate, and determine if a feasible new or existing automobile and non-motorized trail route exists that follows the primary attractions and affords access to the Main Line Canal and Allegheny Portage Railroad. If an existing route is appropriate, state scenic road designation should be sought with appropriate improvements. If a new road is needed, the possibility of designing and constructing a new parkway should be evaluated. The alternative shows how a combination of a parkway with scenic roads would also work.

Alternative 4 builds on the previous alternative and offers a region-wide approach with a series of secondary tours that would intersect Route 22. The alternative ties in with numerous cultural, natural and recreational attractions within the scenic countryside of mountains, towns and rural farmsteads. Regional information centers at strategic intervals would serve to give visitors a full picture of the region's many attractions and accommodations.

Success of any of the afore-mentioned ideas would rest upon the support of a diverse coalition of public and private interests motivated by a common objective to preserve important resources as well as promote the region's economy. The results of such a comprehensive approach would permit present and future populations to better understand our nation's transportation and industrial history.

COMMENTS BY RANDY COOLEY

Mr. **Cooley**. Congressmen, I have been in this area for five years. Before that I worked in such places as the Everglades, Yosemite, and Philadelphia at Independence Park.

Mr. **Regula**. Excuse me, when you say superintendent, do you have an NPS facility in the region?

Mr. **Cooley**. That is correct. We have two areas, Allegheny Portage Railroad National Historic Site and Johnstown Flood National Memorial.

Mr. **Regula**. You have both of those?

Mr. **Cooley**. That is correct.

Mr. **Regula**. And your headquarters would be?

Mr. **Cooley**. In Cresson, Pennsylvania.

Mr. **Regula**. So you already have a presence, so what we are really talking about is building on that, am I correct?

Mr. **Cooley**. That is correct.

Mr. **Regula**. How many staff people do you have there?

MR. **Cooley**. Right now the permanent staff is 15 people. Having worked in such places as Yellowstone, Yosemite, Everglades, I have worked in some real beautiful areas. Some of those areas were a bit remote and it makes it tough on a family to get in and out to buy groceries and so on.

The beauty of this area is it has got a lot of cultural diversity. It has got a lot of natural beauty and I would have to say that it is my favorite of all the places I have ever lived.

The National Park Service now has a unique opportunity, because of our director, Bill Mott, to expand into other areas. As you are probably aware, Director Mott has come up with what he calls a 12-Point Plan for the improvement of the National Park Service.

Part of that 12-Point Plan includes four different points that I think can be incorporated into this study particularly. This study fits very nicely into at least four of those points.

So we are excited not only about the possibilities for the area, but we are also excited about the fact that the National Park Service is trying new, creative, and imaginative approaches in development of our resources and we are glad to be part of it.

Mr. **Murtha**. Well, Randy, we appreciate the work that you have done. Since you have been here, I know we have expanded both the sites and improved them substantially and we appreciate your enthusiasm. I always thought you were a native of this area, you were such a good ambassador.

Mr. **Cooley**. Thank you sir.

Mr. **Murtha**. We appreciate your work very much.

Mr. **Cooley**. Thank you.

PRIVATE COOPERATION

Mr. **Murtha**. Let me ask you, Randy, one question. One of the things that all of us have been mentioning is the amount of private cooperation that we can expect to get. Can you comment on any contact you have had with any organization; for instance, I know that the steel background and the steel situation has to be one of our major assets in this area.

Could you comment on that, whether you expect any help from Bethlehem or any other corporations?

Mr. **Cooley**. I am real excited about what has been occurring because people told me there was a lot of fractionalization in this area, that nobody wanted to work together. Since we have put this plan together we have had people from all over telling us how much they would like to cooperate and how much they want to be a part of this.

I think it was particularly significant that Ted Leasure, General Manager of the Johnstown works, made a comment on TV here about a month and a half ago in which he said Bethlehem would be willing to cooperate to protect the identified cultural resources that exist and to discuss with us possibilities for tours and whatever promotion of the steel industry in Johnstown. I think that is particularly exciting.

Mr. **Castleberry**. It is particularly gratifying for me to hear your comments about Superintendent Cooley. May I say that we share those at the regional office in Philadelphia.

We have Sandy Walter, Superintendent of Lowell National Historic Park and she has some comments, I believe, and also there has been an arrangement to have a videotape shown, if she may.

Mr. **Murtha**. We appreciate your coming, in particular. I heard her testimony out in Chicago and she did an outstanding job. Her work up in Lowell has been well appreciated by everybody and even the Speaker has mentioned on several occasions her work and how much he appreciates what she has done for that area.

COMMENTS BY CHRYSANDRA WALTER

Ms. **Walter**. Thank you very much. It is funny, but I think I see a lot of similarities between the visions that these two gentlemen have talked about and what has happened up in Lowell.

I guess what I would like to concentrate my testimony on is the economic benefits of the increased presence by the National Park Service. I have a few statements I would like to share and then I will show you a videotape that was put together recently that really emphasizes the importance of that private/public cooperation.

Until recently, Lowell, Massachusetts, was only known to a few area residents and a few people that were scholars of American industrial history. Its regional reputation was so negative that it was often cited as the worst example of New England's mill towns.

The collapse of the cotton textile industry in the 1920's and 1930's left Lowell with millions of square feet of empty mill space and as many as 70 buildings in the decaying central business district on the city's rolls for nonpayment of taxes.

Chronic high unemployment reached 13 percent in 1975, driving away many of the best and brightest of the city's young people. An interesting comment by James Howell, Chief Economist for the Bank of Boston: In 1975, he declared "that Lowell has no future, Government officials should stop wasting their time trying to save the city."

Today, unemployment in Lowell has shrunk to less than four percent and the city's biggest problem is parking, traffic congestion and the labor shortage. New construction in Lowell increased by an astonishing 1,600 percent in 1983, the largest such increase in the Nation for a city of its size.

Lowellians who once would only admit to being somewhere north of Boston now boast of Lowell's success. A growing influx of visitors to its National State Heritage Park are now finding their way to Lowell. This year we had a visitation that topped 700,000. So, in a short eight years that the park has been in existence, we feel very proud of that.

If we could set up the videotape I think it will tell the story. I was glad to see that the Secretary of Commerce was here because this tape was developed last summer with a grant from the State Department of Commerce in Massachusetts to the city of Lowell, to tell the story.

In fact, they put in something like $300,000 for an advertising campaign to help advertise what had happened to Lowell and to encourage visitation. We, over the past few years, have had a 25 percent increase in visitation each year, I think, as a result of the money they have spent. So this is another promotional item that was made possible by their contribution.

GRANT FROM THE STATE OF MASSACHUSETTS

Mr. Murtha. Did you have that tape developed of Lowell from the grant?

Ms. Walter. Yes, it was a grant from the State Department of Commerce and it was developed in Lowell. We also produced a brochure and a traveling exhibit that we can take to conventions. The rest of it was put into producing a public service announcement and to buy a variety of paid advertising in magazines, newspapers, radio spots, and things like that.

Mr. Murtha. How much did they spend on this entire package?

Ms. Walter. The grant from the state was about $300,000. Then the Lowell Plan, which is an organization, a private nonprofit organization in Lowell that was created to stimulate the economic growth, put in another $150,000. So we had $450,000 total.

Mr. Murtha. So, for half a million dollars you increased the visitor ratio by?

Ms. Walter. In a two-year period by 50 percent.

Mr. Murtha. Fifty percent.

Mr. Regula. Of your visitors, is that insiders or local versus out of state?

Mr. Walter. I think the majority is still local, local New England. But we have been noticing a greater increase in outside visitors. We really have a difficult time trying to figure it out, in terms of statistics, because we do not have any way of doing it. We have been noticing an increase in out of state license plates.

Mr. Murtha. If we can get people to get off at Monroeville onto Route 22, off the turnpike, and come up Route 22; and if we can get Route 22 in shape so they can travel it, and see—which we run in all these other locations, we can see a tremendous increase.

Ms. Walter. One of the things we have concentrated a lot on and which I am sure it would be similar to what you would want to do, is tapping into our Boston market. Obviously yours is Philadelphia and Pittsburgh, you have a lot of people coming to those two cities already. It is not that far, except for Philadelphia, excuse me.

Mr. REGULA. Could you develop sort of a scenic tourist trail from Philadelphia to Pittsburgh and have like little beads along the strait. Is that a potential?

The canal, originally as I understand it, was Philadelphia to Pittsburgh. It would seem to me that there must be a whole series of historic points, remnants all along the way. Maybe there could be a scenic tourist kind of thing, Pennsylvania Trail, if you could call it that, and you could tie all these into it like a string of beads.

Ms. WALTER. I think some of the things that I would like to stress, if I could take just a few more minutes, is I think the national park was only a very small part of everything that happened.

The Committee of the State Park was extremely important. They put $12 million into a Lowell Heritage State Park that sat beside the Lowell National Historic Park. Those two parks work together. A visitor does not know the difference between a national park and a state park, they come to see the park.

They put $7 million into the restoration of an auditorium so that Lowell would have a place for conventions and special events and performances. They put a lot of money into improvements of the roads and access systems and garages. Then, of course, the $300,000 that I talked about from the State Department of Commerce.

There are a couple of things that I think were very important to the re-creation of Lowell: The legislation that set up the park required that a set of standards for restoration and rehabilitation be established and that this be a state authorized legislation.

An Historic Board was appointed that oversaw all of that restoration work, so that before a builder could come in and do anything in Lowell, they had to get a permit from the Historic Board which protected all of those resources for the park's purposes.

All the restoration work that has been done has been done with a very sensitive and keen eye toward the protection of those cultural resources. I think the key to Lowell is the involvement of everybody, the private sector as well as the public sector. I do not think that Lowell would be nearly what it is today without that kind of participation.

I think that is pretty much the story of Lowell. I did understand that a group of people from Johnstown did come up to Lowell not too long ago to visit, and hopefully they saw the evidence of what that cooperation has meant to the city.

Mr. REGULA. Do you think Wang was attracted there in part because of what had happened prior to their coming?

Ms. WALTER. Yes, I think Dr. Wang saw a commitment on the part of the state and Federal Governments and city government to work in cooperation.

I mean, no businessman—particularly when you consider the amount of money that Dr. Wang was going to spend in developing his industrial park—wants to come into a situation where he knows he is going to be faced with a lot of Government red tape and regulations.

The state and city worked together to help him shepherd through all of the things that he needed to do to create his business there. That was the key, and that brought other people into the city and into the area because they knew that the city manager and the city council and the state legislature and the governor were going to work with them to develop their particular vision or their particular side or whatever they wanted to do. That is a real key point.

FEDERAL, STATE AND LOCAL FUNDING

Mr. **Murtha**. What was the breakdown of Federal, state and local funding?

Ms. **Walter**. The Federal Government's commitment was $40 million. The state then came in there with another $30 million. The private sector was up somewhere around $150 million. When you look at Federal dollars versus state and private investments you get a $14 return on every dollar the Federal Government spent in Lowell, which was obviously a large commitment on the part of the public sector and the private sector.

I think in the film you saw a gentleman with one of the banks there. They were a real key in the beginning, too, because Mr. Robinson and the hotel—they could not find anybody interested in investing in Lowell.

So the banks formed together the Lowell Development Finance Corporation. They pledged a percentage of their assets of their bank, of all of the banks in the local area, to provide that financing for some of these projects in the beginning.

The city also, with its Urban Development and Action Grants and with the loans from the Preservation Commission were given to builders for preservation projects. The money that is being paid back for the Urban Development and Action Grants and the loans go back into the Lowell Development Finance Corporaton to be reused in the community for other development projects.

So there is a capital base now to be able to stimulate other kinds of developments. That was the key; the commitment on the part of the banks was a real key aspect of it all. But it all worked together, everybody kind of worked together. The national park and the state park helped focus the energy.

Mr. **Murtha**. Ralph and I were just talking about the importance of focusing private, state and—of course, I can tell by the study that has been done it is really magnificent. You did not know what was here and a lot of us, as many times as I have been through this district, do not put it together. You know individually what is here, but you do not appreciate it as a whole. Ralph was commenting today about how impressed he was with the variety of attractions we have in this area. Any questions, Ralph?

Mr. **Regula**. I was just reading this report. I wish I had time to go and look at all these things. They sound attractive. I am a canal buff and I have done a lot of preservation of the Ohio and Erie canals in our state. So, I appreciate what has been accomplished.

I did not, of course, have an opportunity to read your conclusions. How would you envision this so-called string of pearls, each of these unique historical sites being operated or coordinated? Would it be done through the National Park Service or would it be done through the State or the private sector?

Mr. CASTLEBERRY. If I might, the alternatives laid out there were such that we did not really draw a conclusion on that. We sort of tried to lay out the options. I think generally we tend to see it largely with a local focus, not the National Park Service coming in and you end up being an operation, but just coming in with technical assistance and some sort of a catalyst cooperative kind of activity.

The exact framework, I think is largely going to be determined by how the local people view these alternatives and how they might be mixed and matched, with a strong focus on some sort of region-wide coordinating activity. I would think.

Mr. MURTHA. What we are going to try to do, Ralph, is get each group that is interested in the individual attractions together and then try to come up with a recommendation to the park service and then see if we cannot come up with a plan of action.

Thank you very much Mr. Castleberry and Mr. Johnson.

OBSERVATION OF RON JOHNSON

Mr. JOHNSON. I would like to make, in summary, a couple of observations and in doing the study we made some contacts with similar projects across the country. The observation is that there are a number of efforts occurring at the present time: Lowell, this very, very early start on western Pennsylvania, Youngstown, Ohio, for instance.

Unfortunately, out there the iron and steel infrastructure was pretty much demolished and they are going with a museum-type facility. The State Historical Society is going to be involved in that, but that would be a museum demonstrating various artifacts, et cetera.

Sloss Furnace in Birmingham, Alabama, is using a 1920's blast furnace that was donated by the company to the city. The city has put about $4 million into that. In North Carolina, there is a railroad complex at Spencer on the Southern Railroad and I think Dr. Harry Tise could address himself to that, coming from that area of the country, but that is another large project.

Most recently, in Joliet, Illinois—they just released the document last week and I got it just a couple of days before we left—there is a U.S. Steel facility. In a cooperative agreement between the National Trust for Historical Preservation and U.S. Realty, which is a spinoff firm of U.S. Steel, they have done a $90,000 marketing study called the Joliet Works Reuse Strategy. They are a little bit down the road than where we are, in Pennsylvania, with this.

This plan makes some suggestions on what might be done in terms of a cultural business park. A combination of cultural resource management techniques and a business park coming into about a 100 to 125 acre site in Joliet, Illinois.

They are looking at a 15- to 20-year period. One of the important points is this is not a quick fix, this is something that is very slow; it involves the cooperation that you gentlemen have talked about. Also the infusion of some money from various levels, not just the Federal sector, but a variety of levels working together to prepare this particular site for eventual visitation use.

Mr. **Murtha**. Thank you very much.

Friday, January 31, 1986.

PENNSYLVANIA HISTORICAL MUSEUM COMMISSION

WITNESS

LARRY TISE, EXECUTIVE DIRECTOR

Mr. **Murtha**. Dr. Tise is the Executive Director of the Pennsylvania Historical Museum Commission. We appreciate and welcome you here. Your entire testimony will appear in the record, but we would appreciate a summary of your comments.

Dr. **Tise**. Yes, you have the written record, Congressman Murtha and Congressman Regula. I very much appreciate the opportunity to appear here and I would like to say hello to your staff as well. We are renegades from North Carolina who found better places to live. I happen to be in Pennsylvania and have the opportunity to be the——

Mr. **Murtha**. You picked a better place?

Dr. **Tise**. Absolutely. I happen to be the State Historic Preservation Officer for Pennsylvania as well as the Executive Director of the Historical Museum Commission.

Mr. **Regula**. Is this a state government function?

Dr. **Tise**. Yes, it is. It is the equivalent of the Ohio Historical Society. In any case, I have the opportunity to work with the historical resources of Pennsylvania, including 60 historical sites and museums around the Commonwealth, several in this area including Bushy Run, Somerset Historical Center, Searights Tollhouse and Admiral Perry Monument near here. We also have historical markers, 1,500 of them around Pennsylvania. We are also responsible for historic preservation.

I should say that Congressmen Murtha and Regula not only are concerned with the condition of the parks and cultural areas of the country, but also with the National Historic Preservation Program which provides funding to the states. From our perspective, we appreciate the continued support both of you have given to that program.

That program is very important because the findings of the park service in this study are based upon the surveys that have been conducted with funding from the state through the National Historic Preservation Program.

I should say, as indicated in the study, we have very complete information on historic properties in Cambria County. We are just completing a survey of Somerset County. Unfortunately, no comprehensive survey has yet been done on Blair County and it needs to be done.

In all cases, unfortunately, relatively few properties have been nominated to the National Register for Historic——

Mr. **Murtha**. Dr. Tise, now, we have included the railroad yards in Altoona, but you are saying that Blair County as a whole has not been studied. Maybe we ought to do that in conjunction with what we are doing here? Is that what you are saying?

Dr. TISE. Absolutely. There has not been a comprehensive inventory of Blair County yet and it needs to be done very badly. But, in addition to being concerned about historic preservation, our agency is also concerned with the development and promotion of historic sites and museums.

Indeed, we have worked with a number of properties in this area over the last year to try to promote the availability of very specialized historical resources, including the Railroader's Museum in Altoona, the Horseshoe Curve, which is a significant site, but also the East Broad Top Railroad. All of these are absolutely unique resources in the United States.

Mr. REGULA. Can you get to the Horseshoe Curve to observe it by automobile?

Dr. TISE. You can by automobile, but the best way to see it is the way I came here and that is by Amtrak. And I will go back by Amtrak today. As you are thinking about developing tourism in this area, the only way to arrive is by train.

Mr. MURTHA. Dr. Tise, you mentioned Blair County, how about Westmoreland and Indiana? Have they both had an inventory?

Dr. TISE. Westmoreland: We have conducted an inventory. In Indiana County, the inventory has not yet been done, so there is much to be done.

I should say, which is one of my concluding remarks, that one thing that is missing in this area—which badly must be done if the plans proposed here are to be carried out—is to develop a private sector networking and cooperation to work with the public sector agencies.

The reason why so few inventories have been done in this area and the reason why so few properties have been nominated to the National Register, is that most of that is initiated by citizens and by local organizations, by historical societies and by interested business people.

Unfortunately, in this area of Pennsylvania, we do not have those organizations yet. What I would like to propose not only as a followup to the study that has been developed, because it is clear to us that the resources are here whether you are looking at transportation history, whether you are looking at the history of the iron and steel industry, or whether you look at something else that is not mentioned—and that is the bituminous coal industry which is very important in this area of Pennsylvania—or whether you look at the people.

We have all kinds of ethnic groups, some of which are relatively unique, in this part of Pennsylvania. It is important that we figure out some way to begin bringing together the historical resources with some of the people who are interested in seeing these properties and these attractions preserved and developed.

I would suggest that in this area something be done a little bit like the Lancaster initiative which was developed by our commission several years ago to bring together in a task force type of setting representatives of the local commerce and tourist industry, people representing various cultural institutions, the owners of these various historic properties.

We sit around a lot of times theorizing about what they ought to be without bringing the owners of these properties in to tell them and let them participate in developing ideas that might be economically feasible for them to participate in.

But, also, to bring together the people who operate the restaurants and the motels and the other visitor amenities because all of these things must develop hand in hand with everybody thinking together and thinking about the role that the public sector can play.

Mr. **Murtha**. Dr. Tise, let me stop you there because we have a lot of witnesses. Let us ask you a few questions, if you will.

One is, we are trying to complete, on a centennial of the 1889 flood, an overall plan to put in place some expansion of the park and some of the cottages at Mineral Point and so forth. We have asked for that site to be on the Federal Register and we ran into a problem in Harrisburg. I do not know if you have seen the application. Is there anything we can do to expedite that particular application?

Dr. **Tise**. I think that particular application—in Pennsylvania, we use basically a private sector system for preparing nominations and there has been some back and forth. In order to expedite that process, if necessary, we would be glad to look at it and do the work ourselves.

Mr. **Murtha**. We would appreciate that because we are running into a time problem in trying to get a road in place and some other legislation down, as you know. Nineteen eighty-nine seems like a long way off, but when it comes to construction and getting it completed, it is going to take some time. I appreciate your suggestion and what you are saying.

We will look over your testimony very carefully because I had in mind similar ideas. However, I did not think about the owners of the properties themselves. I appreciate what you are saying and we will certainly take a look at it. I appreciate your coming before the committee.

Dr. **Tise**. Very good.

Mr. **Regula**. In terms of your state budget, what is the total amount you have and how much of that is Federal and how much is state?

Dr. **Tise**. In terms of our particular budget, it is $12.5 million in state appropriated funds. We receive $600,000 from the Federal Government. We have an additional $4 million which comes from the private sector. About 40 percent of our budget we raise from the private sector at this point.

Mr. **Regula**. Just by contributions?

Dr. **Tise**. Well, contributions, but most of it is income producing activity through the sale of books, admission fees to sites, sale of reproductions and replications, and grants that we procure. Very much a public and private sector operation.

Mr. **Regula**. Do you think there are enough unique sites between Pittsburgh and Philadelphia that you could develop it like a string of pearls, in terms of tourism and historical locations?

Dr. **Tise**. There is so much in this area, it does not have to be a string of pearls. It is almost a shotgun effect, there are so many things. So it is not just guiding people from one point to another, it is developing all of these resources together. So that if you jump off the turnpike, you jump off of Route 180, you come in by Amtrak, there are plenty of places to go.

Mr. **Regula**. Does the Turnpike Commission ever contemplate offering people brochures as they are traveling that tell the various potential sites along the turnpike? Frankly, I drive the turnpike many, many times in a year because it is my closest way to get to Ohio. Until this morning, I simply was not aware of what is so near by.

Mr. **Murtha**. That is a good idea.

Dr. **Tise**. There is not a brochure at this time, there should be one.

Mr. **Murtha**. Thank you very much, Doctor.

Dr. **Tise**. Thank you very much.

[The statement of Larry Tise follows:]

TESTIMONY PREPARED FOR THE FIELD HEARING OF THE HOUSE APPROPRIATIONS SUBCOMMITTEE FOR INTERIOR AND RELATED AGENCIES, JOHNSTOWN, PA

January 31, 1986

Dr. Larry E. Tise, Executive Director
Pennsylvania Historical and Museum Commission

Both the National Park Service and the Subcommittee for the Interior and Related Agencies are to be congratulated for focusing attention on an important, but often overlooked, geographic region in Pennsylvania -- the southern Allegheny region. Developing more sophisticated and unified programs for the expansion of tourism can only help the region adapt more quickly to a changing economic base. Historically, culturally and naturally the region has much to offer the tourist and the fledgling industry to serve the tourist has and will do much for the entire region. Throughout the 18th, 19th and 20th centuries the southern Alleghenies region has been an important industrial area and a major transportation link between eastern Pennsylvania and the west. The challenge today is to lure more and more of the individuals travelling through the region to stop and enjoy its many historical and cultural advantages.

The Pennsylvania Historical and Museum Commission has a commitment to the total southern Alleghenies region, represented by Bushy Run Battlefield in Westmoreland County, Somerset Historical Center in Somerset County, Searights Tollhouse in Fayette County and Admiral Peary Monument Park in Cambria County, one of the two primary target areas of this survey. In addition, the Commission is most interested in Cambria and Butler Counties completing National Register nominations for the important historical resources identified in the survey; specifically, Saltsburg, various districts in Altoona and Johnstown, Marsteller, and the survey of the Juniata and Western divisions of the Main Line Canal.

Our Bureau for Historic Preservation reports that Blair County/Altoona region is certainly an area that is somewhat neglected as far as recognition of historic resources. The railroad-related resources in Altoona are important nationally significant structures reflecting the great impact of railroading in America. In 1981, the Commission underwrote a site survey in Cambria County, however, there are still less than half a dozen National Register entries. Other than a recent project to nominate a National Register Historic District in Hollidaysburg no survey work has been done in Blair County and again few properties have been listed. The staff of the Bureau for Historic Preservation are most interested in assisting local groups in developing viable programs and plans to correct the current situation.

With the Commission's twenty-seven historic sites and museums across the Commonwealth as major local community focal points, the agency has been instrumental in a number of regions in developing cooperative marketing strategies. With Bushy Run Battlefield and Somerset Historical Center so close to Blair and Cambria counties, we are hoping to be able to cooperate with local officials in the creation of a council of non-profit museum and historical organizations to work with a unified tourist promotion agency to achieve mutual goals of expanded visitation. A project of this importance should also involve other effected state agencies such as the Department of Transportation and the Department of Environmental Resources.

In preparation for this hearing, the survey was conducted of affected programs at the Pennsylvania Historical and Museum Commission. The rest of this report reflects the impact on various commission programs.

As the final draft of this survey is completed and an implementation plan developed, the Commission and its staff hope that they will be more involved than they were in the process to date. The Commission has many resources which can be brought to bear in the southern Alleghenies region and hope that the National Park Service will, as plans are developed, spend additional time with the various state agencies who are concerned about the study area. Some of the specific contributions which the Commission could make include the following; increased activity on the part of the Bureau for Historic Preservation; publicity and increased marketing of the region, in coordination with our regular program of marketing; planning activities in conjunction with appropriate federal, state and local agencies; possible use of our facilities at Admiral Peary Monument or Somerset Historical Center for visitor information stations; loan of collections as appropriate from the Commission's vast holdings; and consultant expertise in many areas of interest in the history and museum business; additional historical markers; and potential museum assistance grants for eligible institutions.

A summary of our other staff comments follows:

1. The title of this survey is misleading, in that it has very little to do with Western Pennsylvania as a whole and very little to do with roads per se. Planning and development for tourist promotion should include a broader area than the significant cultural resources at Johnstown and Altoona in Blair and Cambria Counties.

2. Those who are familiar with the region feel that the Southern Alleghenies Planning and Development Commission hold the most promise for conducting further studies to lead to a plan for truly cooperative developmental and promotional efforts.

Whatever agency takes the lead locally must be willing to involve as many other institutions and governmental units as wish to join in these efforts. The most successful promotional programs in Pennsylvania are those that involve larger geographic areas and therefore, larger financial and programmatic resources. The southern Alleghenies region has important existing cultural and historical resources that could be beneficial to the total effort but that are not included in the current version of the National Park Services' survey, except as background information in the beginning.

3. Thematically, the study has focused on the important historically significant impact of transportation and the iron industry in the region. Within the larger concept of the southern Alleghenies region, both agriculture and the bituminous coal industry have been important factors in the settlement and growth of the whole area.

4. Non-profit museum and historical attractions in the region should be encouraged to contact the Commission regarding its various granting programs, including technical assistance, special projects, local history, and limited historic preservation grants for surveys.

5. A marketing survey should be undertaken to determine the level of public interest in the primary sites in this survey and in the larger region noted in the introduction to the report. Additionally, the survey should address the possibility of private sector fund-raising to determine the commitment of the local communities in the future.

6. Of the alternatives proposed by this survey to address the specific concerns of the Altoona and Johnstown areas, a combination of the strategies proposed in Alternatives 1 and 2 seem to be the most cost-effective and achievable. However, it is vital that a single agency take the lead in coordinating the promotional and developmental activities to avoid a potentially chaotic situation.

7. To insure that future planning is done in concert with the affected federal, state and local agencies, the Commission would like to propose to the National Park Service that an inter-governmental employee loan be executed whereby someone from the Park Service's staff join the staff of the Commission for a limited term to refine the current survey and complete the planning process in conjunction with all the affected agencies.

In conclusion, the Commission is grateful to the Subcommittee for the Interior and Related Agencies and its distinguished local member, John P. Murtha, for the opportunity to review and discuss the Reconnaissance Survey of Western Pennsylvania Roads and Sites. As the survey is further refined, the Commission is confident that the entire region will benefit from the initiative taken in this study and that Altoona and Johnstown will receive the recognition which they deserve as important communities in the development of western Pennsylvania.

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FRIDAY, JANUARY 31, 1986.

WITNESS

SENATOR MARK SINGEL

Mr. **MURTHA.** Welcome, Mark, and we note that your entire testimony will appear in the record, but feel free to summarize or read, if you wish. Let me tell you how much all of us appreciate the work you have done for this area and your dedication not only to tourism, but to attracting business to the area.

Mr. **SINGEL.** Thank you very much, Congressman, and let me return the compliment and thank you for bringing this subcommittee to the Johnstown area and also Congressman Regula. I think that you do us a real service by showing that the House of Representatives and the Appropriations Committee are forward thinking, in particular, thinking about this region. I think that is very critical given our continuous battle with economic decline in the area.

The other thing that I think that the National Park Service study has brought out, and one of the reasons it is so critically important is what has been a recurring theme in the testimony thus far. That is that we, in this area, have a wide array of natural and manmade points of interest that not only have we not developed, but we have failed to realize the potential.

So it is kind of your assisting us to see the forest for the trees. Without this kind of outside focus and the good work that the NPS has done in the reconnaissance survey, we might not have been stimulated to the point of proceeding with planning.

The other thing that I would like to mention and congratulate the committee for helping us to focus on is the fact that I think the NPS study correctly emphasizes the need for cooperation on a regional basis. As you know, Congressmen, and others in the audience who have been involved in the economic development for many years, one of our critical problems remains that we are too parochial.

Those of us on the Johnstown side of the Cresson mountain too rarely communicate and work with our sister city in Altoona and the cities and towns to the South, for example, Somerset. One of the most important and stimulating recommendations of the reconnaissance study, I think, is the prodding that we are getting to work more closely together. I think that is going to be very important.

I will not read the testimony in the interest of time, but let me highlight just a couple of things and a few of the points I definitely want to make. With regard to the options that have been outlined, I favor option four.

Frankly, I am for whatever option maximizes the opportunity for economic development. While I am a purist about developing flora and fauna and nature and many of our natural resources, I am also a realist about the critical need for developing job opportunities to retain our sons and daughters in this area.

Option four strikes me as providing the most inclusive and widespread range of development options. I think for that reason I would certainly like to see us do the whole package as prescribed in option number four. Frankly, what appeals to me most is that there is a good deal of talk about a parkway and the development of roads and visitors centers. That means construction, construction means jobs, and frankly gentlemen we need the work in this area.

But, beyond the economic plight, I think what is important with that option is that it moves in a positive direction to develop not just the theme of the iron and steel industry and the railroads. While that is important and I am very much excited about the possibility of developing a Lowell, Massachusetts, type of focus on the development of these two critical industries, what I want to point out today is that we have got a tremendous array of things that are not even mentioned in the report. I do not see any reason to limit ourselves to a particular project or a particular focus.

What we are looking to establish is, I think, a destination site. We want poeple who are going to come here to spend a week in this region and really partake of all of the items that are available to them.

For example, it seems to me that one of the most important things we could do is develop the series of visitor centers as outlined in option four. I have already attempted to insert in an upcoming capital budget bill before the general assembly a $2.1 million item for a visitors center in the City of Johnstown.

Now, needless to say, what we are going to do is be working very closely with the Congressman's office to make sure that our plans dovetail with whatever overall planning occurs. But something has to be started somewhere and I think that that is as good a place as any.

Let me mention three other items that I would hope that the committee could keep in the back of its mind and provide you with an example of what I mean by the great diversity of things that are happening and things that are kind of bubbling, if you will, and need to be brought to a full boil.

One is the fact that we pride ourselves on amateur sports in this area. There is an amateur sports capital that is in the planning phase and could be brought to reality very soon. Just an informational point that probably could be developed in conjunction with everything else that we are doing.

The second thing is much more important, speaking as somebody who represents this area and has dealt intensively with the caliber of people that we have here. We have an ethnicity in our area that is very stimulating and very important to every line of work and to every aspect of life in this valley.

What I suggest to you is that we can develop that and display that much like the Amish do in the Lancaster County area. I think it is every bit as endearing as that, and I think that it is much more important in that these various ethnic groups provide such a rich fabric that it is not inconceivable to develop a full day's worth of tours of architectural wonders and ethnic choirs and what have you. It seems to me that our ethnicity ought to be promoted as well as all of our other natural resources.

There is some talk about recreation in the report and I will not belabor that except to say that I think there is room for more winter sports. Lord knows we have enough snow around the area and it seems to me that there is room for an additional full winter ski resort that features cross country skiing and other skiing between Blue Knob and Seven Springs. It is a recreational option that ought to be proceeded with.

In any case, the bottom line and to get right to the basis for my testifying today is that I do not feel that we ought to limit ourselves in any way. I believe that what we are doing is very important and as a state senator and as somebody who deals with the other members of the General Assembly delegation, I can tell you that we are going to provide every ounce of support that we can toward this development of this critical new industry.

Let me also say that you can rest assured that every dime of Federal expenditure will be well invested. As the lady who spoke earlier indicated, in Lowell, Massachusetts, there was a $14 return on every dollar of Federal money invested. You would see probably a similar performance on money invested in this area because we have so many of the natural resources and points of interest already in place.

Do not be afraid to spend money in our region, Gramm-Rudman notwithstanding, the fact is that we need your help and we need to move in the area of some new directions. You can count on us to invest that tax money wisely. With that, let me ask if I can answer any questions for you.

Mr. MURTHA. Thank you very much Mark. We appreciate your input and we will be working closely with you because you heard the balance was about—I think there was even more state money in that project in Lowell than there was Federal money. I think it is a different project, it is not focused on one community, it is focused on a number of different things.

Ralph really put his finger on it, he has been going up the turnpike to Ohio for 12 years and did not realize these things were available. He is on the Interior Committee that funds the National Park Service and historic preservation. Even in the park service, I think a lot of the folks did not understand and recognize what we have.

We recognized them as individual projects but did not really put it together as a whole. We look forward to working with you and it is going to take some time, in my estimation, because it is a bigger scope involved. But, on the other hand, it could really have a turnaround for the entire area.

Mr. SINGEL. I might also make this comment that what we really need to develop locally is the mechanism to proceed with plan. There are so many groups that are involved with economic development that we find ourselves overlapping each other too often. I might suggest to this committee that as a condition for any funding or future planning that you insist that we get our act together locally. I would be glad to be part of that and I think that it is necessary on a region-wide basis.

Mr. REGULA. Do you have any vehicle now, such as a regional planning commission or a council of governments or any kind of structure, that reaches out to all the communities in, say, a 30 or 40 mile radius?

Mr. SINGEL. Congressman, we have too many now. There is a danger of overlap and they are all valuable, they are all important.

I think the closest thing we have to that is the Southern Alleghenies Regional Planning and Development Commission.

But, quite frankly, they are so burdened with their day to day responsibilities I am not sure that something of this magnitude should just be dumped on them. I am suggesting that what we need to do probably is to take a representative from each of the groups and form one tourist development mentality for a six or seven county region, whatever is affected.

Mr. MURTHA. Thank you very much.

[The statement of Mark Singel follows:]

Testimony of Sen. Mark S. Singel
Before the Subcommittee for Interior and Related Agencies
Committee on Appropriations
U.S. House of Representatives
January 31, 1986

Hon. John P. Murtha, Presiding

Congressman Murtha and distinquished members of the Subcommittee...

I deeply appreciate the opportunity to testify before you today in strong support of the planning effort that could lead to the development of tourism resources throughout our area. Buffetted as we have been by natural disasters and economic devastation, we are beginning to realize that tourism and the development of the natural attractions in our area present us with a promising new industry that is, as yet, virtually untapped. Congressman Murtha and this Subcommittee are to be congratulated for their concern for this region and this state as well as for their forward thinking in putting forth the Reconnaissance Survey of Wester Pennsylvania.

Another word of thanks is due for helping us realize and appreciate what is in our own backyard. For too long the people of the Altoona-Johnstown-Somerset triangle have not seen the forest for the trees. As the National Park Service points out, we feature an array of natural and man-made points of interest that would be the envy of any similar region in the country. Not only have we failed to develop those features in an economic and historical sense, we have not even recognized them in many cases. People know about the Johnstown Flood and the Incline Plane but we also can boast about being the very birthplace of the iron and steel industry. Altoona was the hub of the nation in terms of rail development and coal history lingers in our small mining towns throughout the region. The NPS study discusses other items like the historical importance of our transportation routes and our canals and notes some remarkable recreational attractions that stretch from the Youghiogheny River to the Prince Gallitzin State Park to Lake Raystown. The fact is that our entire area is rich in historical lore and scenic beauty and it is time for us to start making the postcards.

Most importantly, the NPS study correctly emphasizes the need for regional cooperation. Those of us from the Johnstown side of Cresson Mountain welcome the opportunity for a joint venture with our sister city, Altoona. Especially when the plans are this important and this far-reaching, it is genuinely exciting to watch a regional cooperative effort unfold. I offer the full assistance of my office to make it happen.

With regard to the study itself, I favor option number 4. Frankly, I am for whatever option presents the greatest opportunity for economic development and job creation. I am not just a purist about preserving flora and fauna; I am a realist about retaining our sons and daughters. Option 4 is the most ambitious of the plans that presents us with the widest possible range of employment opportunities in the tourism industry. Also, the discussion about a historic parkway, access routes, trails, and visitor center means construction and construction means jobs. We are not reticent about appealing to the federal government to invest as much as possible in the tourism development process because we need the work.

Beyond our economic plight, the reality is that Option 4 best identifies the wide variety of development available to us. Why limit ourselves to a celebration of iron and steel? Why not think in terms of an entire coal mining town restored to its early 1900 splendor? Why not tie in directly with the one hundreth anniversary of the 1889 Johnstown Flood and display for all the world to see the devastation of one of history's greatest natural disasters and, more importantly, one of history's greatest recovery success stories? Why not emphasize our critical importance to the rail industry and the exciting story about the Allegheny Portage railroad and Horseshoe Curve? The point is that we are limited only by our lack of imagination and it is possible to move productively in numerous directions at once. In fact, it is the diversity that will be necessary to appeal to a spectrum of potential visitors. To fully develop a tourism industry, an area must sell itself as a destination. We must be able to draw the overnight and the stay-for-a-week crowd. This can be done only if we appeal to a wide range of age groups, socio-economic groups, and tastes.

I am especially excited about the idea of a series of visitors centers. Each major population base needs one so that the welcome mat is out and clearly visible. It is for this reason that I am proposing in a capital projects bill now before the General Assembly, a $2.1 million appropriation for a visitors center/tourist information bureau in the vicinity of Johnstown's Point Stadium. Whether that money is forthcoming remains to be seen but we have to start somewhere.

And let's not forget some other attractions that can use a developmental assist.

Johnstown is touting its reputation as the Amateur Sports Capital of the World. The Amateur Sports Hall of Fame is close to reality and could draw large crowds.

The ethnicity of our area is also a major local treasure. Throughout Cambria County can be seen churches of every architectural type and every influence. The depth of our heritage sings from our choir lofts every Sunday and displays itself in the customs of two and three generations enrich our world by honoring the old world. It is a resource that is as endearing as Pennsylvania's Amish counties and as rich and diverse as a trip to Europe.

Recreation can play a major part in polishing our attractiveness. We have never taken full advantage of natural benefits like steep hillsides and lush forests. The hiking and camping opportunities are obvious. How about cross-country and downhill skiing - complete with lodges and supporting businesses? Somewhere between Blue Knob and Seven Springs there is room for a winter sports resort.

Whatever alternative is selected for action, I am here today to recommend that we do not limit ourselves in any way. It is important that you, the members of the House Appropriations Committee know that every dollar of federal assistance we eventually receive will be well spent. It is more important for you to know that failure to provide that kind of incentive capital could mean one more door slammed on economic development for our region.

We are a proud people with a desire to work and to present our area for what it is: a beautiful, sincere neighborhood as proud of our green forests and blue lakes as we are of our blue collars.

FRIDAY, JANUARY 31, 1986.

WITNESS

WILLIAM STEWART

Mr. MURTHA. Welcome, Bill, to the committee. We appreciate all the work you have done in the state legislature, and here at home, in trying to attract employment and also to expand our state parks and working with us in the National Park Service. We appreciate hearing your testimony and any suggestions you may have about how we could handle it.

Mr. STEWART. Thank you very much Congressman Murtha and Congressman Regula. I appreciate the opportunity to be here today and I appreciate the Congressman from Ohio being here today in the great State of Pennsylvania, City of Johnstown, County of Cambria.

I want to congratulate the subcommittee, and you two gentlemen, for originally taking the initiative to create the appropriation which created the survey of western Pennsylvania roads and sites. It is something that, as we have heard before, has been needed in the past and you gentlemen formalized what was needed.

The document itself, I think, although somewhat technical in nature, is extremely informative as we have heard here earlier that we sometimes do not see the forest for the trees. I would suggest that with some modification that document itself could be transformed into a booklet of smaller size and less technical. There is a lot of information in there that could be put in a booklet form for use as visitor information in existing tour sites and even for distribution through the school system.

I think the plan put forth in alternative four, although extremely ambitious, is the most logical approach to developing the tourism potential of our region. Its appeal is that it heavily involves all levels of government: Federal, state, local, as well as the private sector. Regional approach to any project, is the only approach, in my opinion, to take.

Much of what is proposed in alternative four could be implemented in the near-term and a lot of it, as far as long-term is concerned, would continue to promote regional cooperation which is something that is sorely needed.

I commend the National Park Service. I think you gentlemen got your money's worth in the survey. I commend them for dreaming with us by presenting us an ambitious alternative. I commend them also for stating some things that might not be so popular such as the statement about the fragmented tourist promotion agencies. That is something we rarely see, as you know, from bureaucracies criticizing something especially when the Congress is paying for it. But they took the bold approach and I commend them for that.

There are four things that I would like to speak to today that are touched on in the report, but I think should receive more attention in any subsequent work or study.

The first is what seems to be a lack of emphasis on north/south routes. There is a lot of east/west emphasis, Route 22, turnpike, Route 80. But things like, for instance, Route 56 and Route 403, they traverse either side of the Conemaugh Gap which we all know carries some historic significance. There are some points along those routes that could be developed without a whole lot of effort into visitors centers, scenic overlooks, that type of thing.

A second extremely important item that is mentioned, but again not dwelled upon, is the Laurel Highlands Trail. Despite a lack of publicity and very poor identification markings and things like that, right now the trail enjoys a great deal of use by hikers. I have come across, personally, many hikers on that trail that are not from this area, they are from way in the West and sometimes——

Mr. **Regula**. How long is the trail?

Mr. **Stewart**. I do not know the exact length. It starts at the northern end of Johnstown and meets with Ohio Pike and then it continues into Ohio, so whatever distance that is.

Mr. **Murtha**. Fifty-seven miles.

Mr. **Regula**. Fifty-seven miles.

Mr. **Murtha**. Seventy-two miles.

Mr. **Regula**. Seventy-two miles. Is it a hiking trail?

Mr. **Stewart**. It is a hiking trail.

Mr. **Regula**. Who maintains it?

Mr. **Stewart**. It is within a state park.

Mr. **Regula**. The entire distance is a state park?

Mr. **Stewart**. It is the Laurel Ridge State Park and what I would recommend to this committee: That Pennsylvania has a request in to the Secretary of the Interior to include the Laurel Ridge State Park as a component of the Potomac Heritage Trail. The request is sitting down there somewhere and perhaps this subcommittee could expedite that.

Mr. **Regula**. If this were included, what obligation would follow from the Federal Government?

Mr. **Stewart**. The normal trails designation thing: Signs, a little bit of financial assistance, just the recognition further than the trail itself. Throughout the country it would be listed as a hiking trail.

Mr. **Regula**. Is this comparable to Blue Ridge or the Appalachian Trail?

Mr. **Stewart**. Similar.

Mr. **Regula**. Are there any facilities on it at all?

Mr. **Stewart**. There are camping facilities, there are a few visitor informational centers, that kind of thing, maps. But I think inclusion in the national historic trail scenario would certainly enhance its ability to further enhance the tourism in our area. And that request is down there.

Mr. **Murtha**. We will look into that and we appreciate the suggestion.

Mr. **Stewart**. The third item that is mentioned in the report, but not stressed with any great significance, is the historic value of the Blairsville/Saltsburg area. Saltsburg is the very last town that was on the part of the old western Pennsylvania canal. There is an historic group there that has done extensive work to preserve the history of the canal and I think they should be encouraged and assisted in any way by the National Park Service.

Finally, the report speaks of, but places no particular emphasis on, the role of coal mining in the development of this area. Early mining activity certainly helped to shape the physical landscape of the area as well as the social landscape in regard to the formation of labor unions and the strong labor heritage in this area.

In closing, I would like to alert this subcommittee to keep a close watch on the potential results or the potential sale of Conrail. I have learned from past bad experience that any transfer of rail property leaves a lot of loose ends.

Since this report, and the future plans rely heavily on rail, particularly in Blair County, things like Horseshoe Curve, I think that it ought to be made clear to any successor corporation—whoever that is; I am not promoting one or another, but whoever it is, if it does happen—it has got to be made clear that whatever arrangements the National Park Service, the Department of the Interior or the United States Congress has with Conrail be continued with any successor corporation. I have had some bad experiences in that with previous reorganizations.

Mr. MURTHA. Well, you remember during the flood when we lost so much property what a problem we had in trying to get it back into action. It has nothing to do with historic preservation, just some difficulty getting them to spend the money.

Mr. STEWART. My experience was with the bridge in South Fork, Pennsylvania, which was Penn Central, then it was PRR and then it became Conrail. During the Rail Reorganization Act somewhere somebody forgot to include overhead costs so Conrail denied any responsibility; they said it was Penn Central.

Mr. REGULA. You have both Conrail and Amtrak operating on, the old Pennsylvania Railroad tracks?

Mr. STEWART. Yes, Congressman.

Mr. REGULA. How many trains a day go through there?

Mr. STEWART. There are two passenger trains. I have no idea how many freight. There are a lot more freight than passenger, obviously.

When you are talking things like Horseshoe Curve and rail shops in Altoona, I do not know what arrangements there are with Conrail and the park service as far as the national historic site. But you have got to make sure that if they are transferred to someone else that the same arrangements are transferred.

Mr. MURTHA. Thank you very much, Bill.

Mr. STEWART. Thank you.

FRIDAY, JANUARY 31, 1986.

CAMBRIA COUNTY TOURIST COUNCIL

WITNESS

JIM BOITO, PRESIDENT, PRINCE GALLITZIN TOURISM AND TRADE ASSOCIATION, ON BEHALF OF EDWARD HALUSKA, VICE PRESIDENT, CAMBRIA COUNTY TOURIST COUNCIL

Mr. **Murtha**. If you will identify yourself, Jim, for the record.

Mr. **Boito**. Jim Boito, President of Prince Gallitzin Tourism and Trade Association. Dr. Haluska wishes to apologize for not being here, he is at a coal conference convention down in Florida, so he made a——

Mr. **Murtha**. He knows where to go in this kind of weather. But we all appreciate the work he has done. Nobody has worked harder than he has in attracting and promoting industry and tourism. He calls our office once a week and tries to figure out a way to get Federal monies into the district. So we appreciate your coming on his behalf. Your entire testimony will appear in the record. You may want to summarize or read your testimony, whatever suits you.

Mr. **Regula**. I would be interested, what is this tourist council, is it a county or——

Mr. **Boito**. Prince Gallitzin Tourism and Trade Association.

Mr. **Regula**. Yes.

Mr. **Boito**. A few short miles from here, there is a state park called Prince Gallitzin State Park. It is one of the largest in the State of Pennsylvania. The tourist council is made up of businesses around the park to promote the park and the businesses.

I wish to thank you gentlemen for coming up here today and bringing the hearing to Johnstown. I would just like to summarize Dr. Haluska's statement.

Pennsylvania is blessed with many historic tourist attractions in addition to many resorts and recreation facilities. However, due to the lack of proper highway networks, we, in this section of western Pennsylvania, find it difficult to benefit from the high volume of traffic on Route 80 and the Pennsylvania Turnpike. We are in desperate need of a north/south highway from Maryland to the New York state line.

A new Route 219, currently proposed, will intersect both the Pennsylvania Turnpike and Route 80 at Dubois, Pennsylvania. The timetable for this new Route 219 will be advanced in order to have the immediate impact on the economy of this region. Route 22 from Cambria County into Pittsburgh is a very heavily traveled access highway, a two-lane highway that must be given high priority for converting to a four-lane limited access highway.

In addition to these major arteries, the access road to Prince Gallitzin State Park from Route 36 in Patton has been in the planning stages for 10 years and should be followed through on.

Western Pennsylvania is currently struggling with a massive economic reconstruction program. Our hard core industries of coal, steel, railroad car shops have declined considerably and there is no solid basis on thinking that they will be returning to the levels of employment and production. The transition that is taking place requires us to look at a new line of activities.

Such opportunities currently exist in western Pennsylvania, the construction of Boyertown U.S.A. in Altoona, and the study of the National Park Service this year identified two additional entities that could serve as a centerpiece for creating a network of tourist attractions in the area. One was the Altoona Locomotive Shops and the other was the Cambria Iron Shops in Johnstown.

However, this study should have given greater significance to the important role of coal cited in the economic growth and development of our area, as well as the country. Without coal, there may have never been a steel industry. Coal provided the coke for every ton of steel made in this country.

At one time, coal heated half of the homes in the United States and generated half of the electricity. Coal is a source of other numerous chemicals essential to the manufacturing of many paints, drugs, plastics, perfumes, insecticides and rubber goods.

In addition to coal being a source of energy, it also plays a great role in the development of other industries. Literally thousands of immigrants poured into Pennsylvania to work in the coal mines. They moved into coal camps with very limited facilities and were subjected to many trials and tribulations.

We need to reconstruct an early 1900 coal town community and a coal museum that would enable our present and future generations to physically observe the lifestyle, the folklore, the benefits and the customs of immigrated coal miners from around the world who contributed to the melting pot of various nationalities that we now call Americans.

The study mentioned the Village of Marstellar. That is located in northern Cambria County. This community still has, in place, many buildings of the early 1900 coal mining town. Seldom Seen Mine tourist area is now a mine from that location.

Now they can go into a coal mining town and go through a coal mine itself, in a plastic dome, and observe a simulated coal mining operation of the early days of mining. This would provide every child and adult an interesting, as well as an educational, experience of one of America's most important industries.

In addition to the above mentioned projects, Naturealm, a natural education area that was to be built on the peninsula of Prince Gallitzin State Park was projected to draw 2 million people annually. Naturealm would be the most comprehensive nature, conservation, educational area in the United States and would provide an opportunity for a student or adult to become acquainted with the natural world in which he lives. A brochure of the Naturealm is included in your packet.

The major need in addition to the highways for tourist development in this region is the lack of cottages for family vacation accommodations. This past summer, the Commonwealth constructed a limited amount of cabins at Prince Gallitzin State Park.

The private sector should become involved to build these facilities. However, they should be constructed near lakes or dams. People love to vacation near water. Some like to fish, some like to boat, others like to bathe and others just like the overall atmosphere.

Again, I wish to thank you all for giving us your time and concern in putting this program together.

Mr. MURTHA. Thank you very much, Jim. We appreciate your coming and we appreciate the work that you have done personally, thank you.

Mr. BOTTO. Thank you very much.

[The statement of Edward J. Haluska follows:]

Jan. 14, 1986

EDWARD J. HALUSKA
MEMBER, PENNSYLVANIA HOUSE OF REPRESENTATIVES
VICE PRESIDENT, CAMBRIA COUNTY TOURIST COUNCIL

TO: UNITED STATES DEPARTMENT OF INTERIOR
NATIONAL PARKS SERVICE

I WOULD LIKE TO EXPRESS MY SINCERE THANKS TO CONGRESSMAN JACK MURTHA AND MEMBERS OF THE HOUSE APPROPRIATIONS SUB COMMITTEE FOR HOLDING THIS PUBLIC HEARING HERE IN JOHNSTOWN THIS MORNING.

TOURISM IN PENNSYLVANIA RECEIVED RECOGNITION AS A MAJOR INDUSTRY BACK IN THE EARLY SIXTYS, UNDER THE FORMER GOVERNOR DAVID L. LAWRENCE, WHEN HE PLACED INTO LAW, A MATCHING FUND PROGRAM TO PROMOTE TOURISM THROUGHOUT THE COMMONWEALTH. PENNSYLVANIA IS BLESSED WITH MANY HISTORIC TOURIST ATTRACTIONS, IN ADDITION TO MANY RESORTS WITH RECREATIONAL FACILITIES. HOWEVER, DUE TO THE LACK OF PROPER HIGHWAY NETWORKS, WE, IN THIS SECTION OF WESTERN PENNSYLVANIA, FIND IT DIFFICULT TO BENEFIT FROM THE HIGH VOLUME OF TRAFFIC ON ROUTE 80 AND THE PENNSYLVANIA TURNPIKE. WE ARE DESPERATELY IN NEED OF A NORTH SOUTH HIGHWAY FROM MARYLAND TO THE NEW YORK STATE LINE. A NEW ROUTE 219, CURRENTLY PROPOSED, WILL INTERSECT BOTH THE PENNSYLVANIA TURNPIKE AND ROUTE 80 AT DUBOIS, PA. THE TIME TABLE FOR THIS NEW 219 MUST BE ADVANCED IN ORDER TO HAVE IMMEDIATE IMPACT ON THE ECONOMY OF THIS REGION. ROUTE 22 FROM CAMBRIA COUNTY LINE TO PITTSBURGH IS A VERY HEAVILY TRAVELLED, TWO LANE HIGHWAY THAT MUST BE GIVEN HIGHER PRIORITY FOR CONVERSION TO A FOUR LANE LIMITED ACCESS HIGHWAY.

IN ADDITION TO THESE MAJOR ARTERIES, THE ACCESS ROAD TO THE PRINCE GALLITZIN STATE PARK FROM ROUTE 36 HAS BEEN IN THE PLANNING STAGES FOR TEN OR MORE YEARS AND IS MUCH OVERDUE.

WESTERN PENNSYLVANIA IS CURRENTLY STRUGGLING WITH A MASSIVE ECONOMIC RESTRUCTURING PROGRAM. OUR HARD CORE INDUSTRIES OF COAL, STEEL, RAILROAD CAR SHOPS HAVE DECLINED CONSIDERABLY AND THERE IS NO SOLID BASIS FOR THINKING THAT WE SHALL RETURN TO PREVIOUS LEVELS OF EMPLOYMENT AND PRODUCTION. THE TRANSITION THAT IS TAKING PLACE REQUIRES US TO LOOK TO NEW LINES OF ACTIVITY.

IN REBUILDING THE ECONOMY OF OUR ECONOMICALLY DISTRESSED REGIONS, WE MUST TAKE ADVANTAGE OF EVERY OPPORTUNITY TO CREATE NEW AVENUES OF EMPLOYMENT FOR IDLE MANPOWER AND NEW OUTLETS FOR JOB PRODUCTION INVESTMENTS.

SUCH OPPORTUNITIES CURRENTLY EXIST IN WESTERN PENNSYLVANIA. THE CONSTRUCTION OF BOYERTOWN, U.S.A. IN ALTOONA AND THE STUDY BY THE DEPARTMENT OF INTERIOR'S NATIONAL PARK SERVICE THIS PAST YEAR, IDENTIFIED TWO ADDITIONAL ENTITIES THAT COULD SERVE AS A CENTERPIECE FOR CREATING A NETWORK OF TOURIST ATTRACTIONS IN THE AREA. ONE WAS THE ALTOONA LOCOMOTIVE SHOPS AND THE OTHER WAS THE CAMBRIA IRON SHOPS IN JOHNSTOWN.

HOWEVER, THE STUDY SHOULD HAVE GIVEN GREATER SIGNIFICANCE TO THE IMPORTANT ROLE THAT COAL PLAYED IN THE ECONOMIC GROWTH AND DEVELOPMENT OF OUR AREA, AS WELL AS THE COUNTRY. WITHOUT COAL THERE MAY NEVER HAD BEEN A MAJOR STEEL INDUSTRY. COAL PROVIDED THE COKE FOR EVERY TON OF STEEL MADE IN THE COUNTRY. AT ONE TIME, COAL HEATED HALF OF THE HOMES IN THE USA, AND GENERATED HALF THE ELECTRICITY. COAL IS ALSO A SOURCE OF NUMEROUS CHEMICALS ESSENTIAL TO MANUFACTURING OF MANY PAINTS, DRUGS, PLASTICS, PERFUMES, INSECTICIDES AND RUBBER GOODS. SO, IN ADDITION TO COAL BEING A SOURCE OF ENERGY, IT ALSO PLAYED A GREAT ROLE IN THE DEVELOPMENT

OF MANY OTHER INDUSTRIES.

LITERALLY, THOUSANDS OF IMMIGRANTS POURED INTO PENNSYLVANIA TO WORK IN THE COAL MINES. THEY BROUGHT WITH THEM THEIR RELIGIONS, AND ETHNIC CULTURE AND FOLKLORE THAT REMAINS PART OF US TO THIS DAY. THEY MOVED INTO COAL CAMPS WITH VERY LIMITED FACILITIES AND WERE SUBJECTED TO MANY TRIALS AND TRIBULATIONS.

WE NEED TO RECONSTRUCT AN EARLY 1900 COAL TOWN COMMUNITY; COAL TOWN U.S.A., AND A COAL MUSEUM THAT WOULD ENABLE OUR PRESENT AND FUTURE GENERATIONS TO PHYSICALLY OBSERVE THE LIFESTYLE, THE FOLKLORE, THE BELIEFS AND CUSTOMS OF IMMIGRANT COAL MINERS FROM AROUND THE WORLD WHO CONTRIBUTED TO THE MELTING POT OF VARIOUS NATIONALITIES THAT WE NOW CALL AMERICANS.

THE STUDY MENTIONED THE VILLAGE OF MARSTELLAR, THAT IS LOCATED IN NORTHERN CAMBRIA COUNTY. THIS COMMUNITY STILL HAS, IN PLACE, MANY BUILDINGS OF THE EARLY 1900's COAL MINING TOWNS. SELDOM SEEN VALLEY TOURIST COAL MINE IS BUT A FEW MILES FROM THIS LOCATION. THUS, THEY COULD NOT ONLY VISIT THE COAL TOWN, U.S.A., BUT ALSO RIDE INTO A COAL MINE IN PLASTIC DOMED CARS AND OBSERVE A SIMULATED COAL MINING OPERATION OF THE EARLY DAYS OF MINING. THIS WOULD PROVIDE EVERY CHILD AND ADULT AN INTERESTING, AS WELL AS ANEDUCATIONAL EXPERIENCE, OF ONE OF AMERICA'S MOST IMPORTANT INDUSTRIES.

IN ADDITION TO THE ABOVE MENTIONED PROJECTS, NATUREALM, A NATURE EDUCATION AREA THAT WAS TO BE BUILT ON THE PENINSULA OF THE PRINCE GALLITZIN STATE PARK, WAS PROJECTED TO DRAW TWO MILLION PEOPLE ANNUALLY. NATUREALM WOULD BE THE MOST COMPREHENSIVE NATURE, CONSERVATION, EDUCATION AREA IN THE UNITED STATES AND WOULD PROVIDE AN OPPORTUNITY FOR A STUDENT OR AN ADULT TO BECOME ACQUAINTED

WITH THE NATURAL WORLD IN WHICH HE LIVES. A BROCHURE ON NATUREALM IS ENCLOSED IN YOUR PACKET.

THE MAJOR NEED IN ADDITION TO HIGHWAYS FOR TOURIST DEVELOPMENT IN THIS REGION, IS THE LACK OF COTTAGE FACILITIES FOR FAMILY VACATION ACCOMODATIONS. THIS PAST SUMMER THE COMMONWEALTH CONSTRUCTED A LIMITED NUMBER OF CABINS WITHIN THE STATE PARK COMPLEX. THE PRIVATE SECTOR SHOULD BECOME INVOLVED TO BUILD THESE FACILITIES. HOWEVER, THEY SHOULD BE CONSTRUCTED NEAR LAKES OR DAMS. PEOPLE LOVE TO VACATION NEAR WATER; SOME LIKE TO FISH, SOME LIKE TO BOAT, OTHERS LIKE TO BATHE, AND THEN, OTHERS JUST LIKE THE OVERALL ATMOSPHERE.

AGAIN, LET ME THANK YOU FOR YOUR INTEREST AND FOR TAKING THE TIME TO LISTEN TO OUR CONCERNS AND, WITH YOUR HELP, TOURISM CAN RESULT IN BEING A VERY VITAL PART OF THE ECONOMY OF CAMBRIA, BLAIR AND SURROUNDING COUNTIES.

FRIDAY, JANUARY 31, 1986.

WITNESS

JOHN WOZNIAK, REPRESENTATIVE

Mr. **MURTHA**. John, we appreciate your coming before the committee and the work that you have done in Johnstown, in helping to attract employment, and also in historic preservation. Thank you very much. Your entire statement will be put in the record. We would appreciate it if you might summarize anything that you have to say, and we will be glad to hear you.

Mr. **WOZNIAK**. Thank you, Congressman, for inviting me here to speak a little bit. I want to thank the Subcomittee on Interior for coming down, and Congressman Regula whenever he comes back.

What I have to say is—I tried to make it very short and concise because I figure most of the testimony today is going to be redundant and we are sort of brainstorming right now, it seems. If you will, just allow me to read through this very quickly and I will address any questions you have otherwise.

I want to thank you for the opportunity to address the Subcommittee on Interior concerning the promotion of tourism in our area. I realize that many of the comments during this hearing will be redundant, therefore, I will keep my statements short and to the point.

The first point I think that must be made is to what organization will be the conduit for the program. I do not support a coalition of actors simply to appeal to all interested parties.

This would be a useless waste of finances and would lessen the chances of a successful outcome. In frank terms, dividing the effort among many organizations for petty power, political and financial reasons will, without a doubt, destroy the credibility and possibility for such an ambitious program.

One of the problems we have in our region is the parochialism. If we do not overcome that problem and we try to appeal to everybody, we will not be able to make any forward progress. I think on the practical terms, this must be addressed before any steps are taken.

Secondly, much work has already been done dealing with tourism within our region. Again, it would be a waste of time to redo such a feasibility study. Those organizations within our area that have already done research should be approached and a request made to turn over any studies they might have.

Point three, I believe that the second alternative should be the beginning point for the venture. When I speak of alternative, it is in the pamphlet that was put together by the Department of Parks. I think that the site by site approach, which is alternative one, is too slow and piecemeal to be effective.

In addition to utilizing alternative two, we create a healthy competition between Altoona and Johnstown regions which have already occurred before. Therefore, it would be instigating a healthy atmosphere for eventually accomplishing alternative three which creates the scenic bridgeway between the two SMSA's.

And, Congressman Regula, not being familiar with this area: Altoona and Johnstown historically have been sister cities, but like sisters and brothers they fight a lot. By combining this effort together, I think we can almost have a competition in a sense as to who would be successful in bringing the program together.

Point four, in dealing with the industrial segments of our tourist promotion endeavors, I believe it is important to link them in an enjoyable and historical fashion. I would like to see a study be done with rail links to the sites of interest: The steel mills of Johnstown, the railroad yards of Altoona, and the coal fields of northern Cambria County.

Specifically, I would like to foresee an old fashioned steam train connecting these points with a dining car, bar car, pullman, et cetera, to give the flare of an age passed and for an unforgettable tour. Hopefully we could see what rail lines we have in existence already that could be utilized for this program.

The City of Scranton purchased in Vermont Steam Town U.S.A., and transferred a number of the steam trains and the cars. Now they have a nonprofit organization that runs steam trips between the City of Scranton and Moscow and back again. That has a lot of potential and that could be one of the areas that we could look into in how they succeeded in that program.

Finally, I would like to close out with the fact that you must realize western Pennsylvania is not a beach where we can come and simply sun ourselves by the ocean which is a natural draw.

We must sell the region not only with a package of goods specifying the age of industrial growth in America, but also that we have recreation and good times for the here and now.

Therefore, it is imperative to develop our natural resources. In the winter, in Somerset, our ski resorts must be pushed; in the fall, our hunting season to appeal to that segment of society; in the summer, boating, swimming and picnicking, which I might insist is in dire need of major expansion and improvements. All these can be done individually or in combination to attract families, conventions, students and foreign visitors.

Finally, all these efforts will develop strong diversified economy utilizing new monies from outside the region which I think would be a very helpful influx for us to stimulate new jobs and long-term employment for the area.

I would be happy to address any questions that you might have at this time.

Mr. Murtha. Thank you very much, John. I do not have any questions, but I appreciate your coming and look forward to working with you because this is going to be a combined effort. What you suggest is exactly the way we are going to do it.

Regionalize it, tying in Indiana County, Westmoreland County, Cambria County, Somerset County and Blair County, the whole area is going to be the key to our success. North and south and east and west, you know, it is going to be a long-term thing and it could really lead to a complete change of the district.

Mr. Regula. You know, Jack, as I listen to this community and obviously I am new to it and will not be here too much longer because I have to get back to the district, but it seems to me the key—and I have heard this in so many ways—is to get cooperation, to get it all put together. You have the fragments, it is like the pieces of a puzzle.

It reminds me of a great story in McGuffey's Readers. Now, there are a couple of people here who probably have heard of McGuffey's Readers. When I was a boy on the farm, that was about all we had. My parents had been teachers and we had a set of McGuffey's Readers. I loved to read as a kid so I read them over and over.

There was a story in there about a father that had seven strong sons and he wanted to teach them a lesson. So he brought all the boys in one day and gave them each a stick and said break it. Well, of course, they flexed their muscles, and they snapped the sticks. Then he took seven sticks and tied them in a bundle and now he said to the seven strong sons—he gave it to each one and they flexed their muscles but they could not break the bundle.

Of course, all the McGuffey's Readers—and I wish we would go back to them in the schools now—but they all had a moral. He said "If you boys stick together you will be strong and nobody can break you."

In a sense, that is what every community has to do. We have these problems in all our communities that people are fragmented, they each kind of have their own little piece of the action. If you can put it all together and get people working as a team, you really can accomplish a lot.

It seems to me that we, in the Federal Government, as we look at projects to support, are looking for areas where they are willing to help themselves and we can lend a helping hand. I hear this message from you and I have heard it from a number of others. I am sure that you in the state legislature look at it the same way when you are looking at state and local projects.

Mr. **Wozniak**. I will tell you, for the record, I am ready to take my gloves off and work with anybody who wants to make this program successful. Earlier today I was at another hearing for high speed rail to develop an east/west corridor of high speed rail within Pennsylvania. That has a lot of promise for the 21st Century.

Mr. **Murtha**. Thank you.

[The statement of John Wozniak follows:]

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House of Representatives
COMMONWEALTH OF PENNSYLVANIA
HARRISBURG

JOHN N. WOZNIAK
STATE REPRESENTATIVE
71ST DISTRICT

I want to thank you for this opportunity to address the sub-committee for the Interior concerning the promotion of tourism in our area.

I realize that many of the comments during this hearing will be redundant. Therefore I will keep my statement short and to the point,

The first point I think that must be made is as to what organization will be the conduit for the program. I do not support a coalition of actors simply to appeal to all interested parties. This would be a useless waste of finances and would lessen the chances of a successful outcome. In frank terms, dividing the effort among many organizations for petty power, political and financial reasons will with out a doubt destroy the credibility and possibility of such an ambitious project.

Secondly much work has already been done dealing with tourism within our region. Again it would be a waste of time and money to re do such a feasiblity study. Those organizations within our area that have already done research should be approached and a request be made to voluntarily turn over any studies they might have.

Point Three. I believe that Alternative Two should be the begining point for any venture. I think we can bypass Alternative One. The site by site approach is too slow and piece meal to be effective.

In addition by utilizing Alternative Two we create competition between the Altoona and Johnstown regions. Therefore instigating a healthy atmosphere for eventually accomplishing Alternative Three which creates a senic bridgeway between these two S.M.S.A.

Point Four. In dealing with the industrial segments of our tourist promotion endeavors I believe it is important to link them in a enjoyable and historical fashion.

I would propose that a study be done with rail links to the sites of interest, the steel mills of Johnstown, the railroad yards of Altoona, and the coal fields of Northern Cambria County.

Ideally I forsee an old fashioned steam train connecting these points with a dining can, bar car and pullman etc. to give the flare of an age passed for an unforgetable tour. (The city of Scranton would be a place to obtain this information.)

Finally I would like to close out with the fact we must realize western Pennsylvania is not a beach where people can come and simply sun themselves by the ocean, a natural draw.

Therefore we must sell this region not only with a package of goods specifing the age of industrial growth in America but also that of recreation and good times for the here and now.

Therefore it is imperative to develop our natural resourses. In the winter our ski resorts must be pushed with all possible advertising. In the fall our hunting season should be brought out. In the summer boating, swimming and picnicing. Which I must insist is presently in need of major expansion, and improvement.

All of these can be done individually or in combination to attract families, conventions, students and foreign visitors.

Finally all of these efforts will develop a strong diversified economy utilizing new moneys from outside of the region.

To create a major tourist economy will allow us to expand and develop our most important and promising resource our people.

I would like to thank Congressman Murtha and the members of this panel for coming to Johnstown so that we might share our thoughts and ideas with you.

FRIDAY, JANUARY 31, 1986.

CAMBRIA COUNTY

WITNESS

RON STEPHENSON, COMMISSIONER

Mr. **MURTHA**. Welcome to the subcommittee hearing. We appreciate all that you have done in trying to attract industry and the money that the County Commissioners have spent. As you know, we are trying to approach this on a regional basis, tying all the counties together. We would appreciate any suggestions you might have in this area.

Mr. **STEPHENSON**. Thank you Congressman. The other members of the Cambria County Board of Commissioners are President/Commissioner Joseph Roberts and Commissioner T.T. Metzgar. While commissioners from time to time disagree on various things, on this particular issue we are unanimous in our feelings. I am authorized to speak as one for the Cambria County Board of Commissioners.

We have reviewed carefully the National Park Service Reconnaissance Survey and find in this document just the sort of ideas needed for the continued development of Cambria and adjacent counties. We recognize it is time we acknowledge the significant possibilities for economic growth which tourism can provide. It is also time for us to establish a spirit of cooperation with our neighboring counties.

Among us, we have a significant and important resource base for tourism promotion. We feel that while all of the alternatives presented in the plan have some potential, the most significant source of growth lies in pursuing the objectives of alternative number four.

Cambria County is ready to pledge support to this plan and to cooperate with private industry, Laurel Highlands, the Southern Allegheny Commission, the Commonwealth of Pennsylvania, the National Park Service and all other interested parties in pursuing to fruition the goals as outlined.

While recognizing that such an effort requires significant cooperation and effort on the part of all parties concerned, we think it is important, and we ask here today, that the Federal Government take the lead role in getting the ball rolling.

We, the County Commissioners of Cambria, pledge our support and cooperation through appropriate efforts to diversify our economic base, to protect our cultural heritage, and to promote tourism as a significant part of this region's growth.

Congressman Murtha, thank you for your continued effort and also to the other gentlemen of the subcommittee. Thank you.

Mr. **MURTHA**. Thank you very much for coming, Ron. We are going to need the help of every level of government. They showed a film earlier and I do not know if you were here. It talked about Lowell, Massachusetts; the state spent just about as much money as the Federal Government did, but the key was the cooperation of all levels of government to try and solve the problem.

So many people, even from the park service, who have gone through this area did not realize the vast wealth of historical areas and the attractions we have. It was suggested we get a brochure together to attract some of the people off the turnpike, and so forth, as an initial start. But I think this hearing has been very helpful in focusing on the attractions we have and so far the majority have recommended alternative number four.

Mr. STEPHENSON. Congressman, as you know, for more than two decades, the major effort in this region has been to build new highways. While we have been moderately successful in that effort, there is a long way to go. But as I see it, the big opportunity is to get people off those high speed limited access highways to see the things that we have to offer here, to get them into our area to enjoy what is to be offered here four seasons of the year.

Mr. REGULA. I agree with you. My two sons were out at Seven Springs last weekend skiing and that is just one example. You have a lot more here in addition to that, you have just got to make people aware of it.

Mr. MURTHA. Ralph made the comment not long ago that he was driving to Dubois and he came through Somerset County, going north on Route 219. When he got to Ebensburg, he saw the problems we run into in the northern part of Cambria County and we have to travel that all the time.

Mr. REGULA. What is the population of Cambria County?

Mr. STEPHENSON. One hundred eighty thousand, give or take a few.

Mr. MURTHA. Thank you.

[The statement of Ron Stephenson follows:]

TESTIMONY OF Ron Stephenson,
Commissioner
Cambria County

We, the Cambria County Commissioners, respectfully submit the following statement to the Appropriations Committee concerning the National Park Service tourism promotion plan.

Cambria County is an area rich in natural resources, human resources and cultural diversity. We are understandably proud of our traditions of hard work and strong family ties. In the past, the primary economic emphasis has been on the steel/mining industry, but the area is in transition to a more diversified economic base. The future of Cambria County lies in our ability to expand into new economic horizons without losing touch with the rich traditions that made this area strong.

We have carefully reviewed the National Park Service "Reconnaisance Survey of Western Pennsylvania Roads and Sites," and find in this document just the sort of ideas needed for the continued development of Cambria County. It is time we acknowledge the significant possibilities for economic growth which tourism can provide. It is also time for us to establish a new spirit of cooperation with our neighbors in Blair County. Between the two counties, we have a significant and important resource base for tourism promotion.

We feel that while all the alternatives presented in the plan have good potential, the most significant source of growth lies in pursuing the objectives of "Alternative Four." Cambria County is ready to pledge support to this plan and to cooperate with private industry, Laural Highlands, the Southern Allegheny Commission, the Commonwealth of Pennsylvania and the National Park Service and all other interested parties in pursuing to fruition the goals as outlined.

While recognizing that such an effort requires significant cooperation and effort on the part of all parties concerned, we think it is important that the federal government take a lead role in "getting the ball rolling." We, the County Commissioners of Cambria County, pledge our support and cooperation to appropriate efforts to diversify our economic base, protect our cultural heritage and promote tourism as a significant part of the region's growth.

We would like to thank Mr. Murtha for his continued support and the efforts which have resulted in this study. We look forward to the exciting possibilities which exist within this study and will cooperate as appropriate wherever possible.

FRIDAY, JANUARY 31, 1986.

BLAIR COUNTY

WITNESS

WILLIAM STOUFFER, COMMISSIONER

Mr. MURTHA. Nice to have you from over the mountain, Bill. We see the work you have done over the years and we appreciate your coming before the committee. As I mentioned earlier, Bud Shuster supports what we are trying to do and we are trying to take a reasonable approach because we have so many things that are of great interest to the public. We are trying to figure out a way to put it all together. So we appreciate your coming and speaking for the Blair County Commissioners.

Mr. STOUFFER. I appreciate the opportunity to speak here. I think you have been handed a packet by the Southern Alleghenies Region and Tourist Bureau. I suggest to you this morning, gentlemen, that the Southern Alleghenies and the Tourist Bureau are making great strides in coordinating the efforts that have been set forth.

Last week, I had the opportunity to testify before the Public Works and Transportation Committee concerning the highway system in the region. That is why I am particularly delighted to be here today.

The subject of tourism development is near the hearts of those in Blair County and the Southern Alleghenies region. With the decline of the rail, steel and coal industries in our region, it has been necessary for us to search for new means to stabilize our economic base.

We have turned to the development of tourism because it is the second largest industry in our state, and we possess the resources which are necessary to develop a tourist industry. The number one factor that travelers consider when choosing a travel destination is beautiful scenery and this is a resource we present in great abundance in this area.

Another high ranking factor which determines where people travel is the highway network and accessibility. We have begun to make great strides in that area, but much work is needed yet. Fifty percent of the population of this great Nation lives within a radius of 400 miles, in fact I think it is slightly over 300 miles. This provides us with a tremendous market potential.

With the completions of routes 219, 220 and 22 east and west and route 219 north and south and route 220 north and south, we can be linked to that market. Besides creating better accessibility, it is also necessary to develop the sites to lure travelers into the region.

The implementation of the reconnaissance of Pennsylvania roads and sites is a means of accomplishing these goals. The plan outlined in alternative four would highlight our existing attractions by making them more congruent and easily accessible as well as open the doors to further development.

We have begun to see great things happen in the region with Lake Raystown and Boyertown. It is imperative we continue to grow in this manner so that we do not lose our young people because they cannot find jobs and prevent our population from dwindling due to the high unemployment rate with little hope for the future.

Because I sit before you today, I have hope for the Southern Alleghenies Region. With the Federal Government and the National Park Service taking an active interest in our region, I am certain, with your assistance, we can become a destination for travelers and bask in the light of economic prosperity again.

One factor I brought out at the Southern Alleghenies hearing last week before the House Public Works Committee was the fact that there seems to be a line that runs down through the Commonwealth.

West of that line—and it starts in Huntingdon County and Bedford County—the unemployment figures are double digit figures. It is important that anything west of that line we concentrate our efforts on. I thought the Appalachian Regional Commission and the work they attempted to do to help us recover from the railroad, the steel and the coal industry was absolutely necessary.

We appreciate you coming here into the Southern Alleghenies Region and we can tell you that we are going to continue to cooperate. I come to Johnstown more than you think and you do not have to schedule a flood for me to come over here, Congressman.

Mr. **Murtha**. Bill, let me tell you we appreciate your help during the flood because you were one of the first ones to offer assistance and to give us real help, and we appreciate that very much. We appreciate the work that Bud Shuster does fixing the roads, not only in his area, but in our area, because he was so helpful in getting route 220 through. So we really appreciate that.

We are working all the time trying to improve the entire area. We appreciate very much your coming over here. We are going to try to put together a group that can then recommend to the Federal Government which of the four alternatives they suggest. So far, alternative number four of the study has been the one that has been the most commonly recommended. We appreciate very much your coming here.

Mr. **Stouffer**. The same day you held the meeting, Congressman, that afternoon the people from the Altoona Chamber, Ted Maier and Jim Caporuscio who was present along with Joe Roberts and I talked about it. He said we have got to get together. I said I would be glad to, glad to sit down. Joe and I have been friends for many years, as you and I. I think it is an absolute necessity that we cooperate with each other and especially in the Southern Alleghenies Region because of the high unemployment.

Tourism is an industry that many people have not taken advantage of. I think we have the historical sites and we have so much to see here in the Southern Alleghenies Region that it is important that we concentrate on that.

Mr. **Regula**. I think there is another element here and it gives people pride in their own community. It not only attracts dollars but it is exciting to live in a community that has attractions such as this. When you develop these facilities for the outside world, you also enhance your own image for the people that already live there.

Mr. STOUFFER. I appreciate those remarks, Congressman, and we do appreciate your taking the time to come here. We appreciate Congressman Murtha for setting up this meeting and participating. I can assure you, not only the Southern Alleghenies, but in our own county, we are going to cooperate 100 percent and do what is necessary to bring this to fruition.

Mr. MURTHA. Thank you very much, Bill, and thank you for coming.

Mr. STOUFFER. Thank you, Congressman Murtha.

[The statement of William Stouffer follows:]

TESTIMONY

BY

COMMISSIONER WILLIAM C. STOUFFER

CHAIRMAN

TRANSPORTATION COMMITTEE

SOUTHERN ALLEGHENIES PLANNING AND DEVELOPMENT COMMISSION

BEFORE

HOUSE APPROPRIATIONS SUBCOMMITTEE FOR INTERIOR
AND RELATED AGENCIES

UNITED STATES HOUSE OF REPRESENTATIVES

FRIDAY, JANUARY 31, 1986

Congressman Murtha and members of the House Appropriations Subcommittee for Interior and Related Agencies, it is a privilege to appear before you.

I am County Commissioner Bill Stouffer, Chairman of the Board for Blair County and former mayor of Altoona for 8 years. But equally important is that I have served with the Southern Alleghenies Planning and Development Commission for the past 12 years as Transportation Committee chairman.

I had the opportunity to testify before the Public Works and Transportation Committee last week concerning the highway system into the region. That is why I am particularly delighted to be here today because I feel tourism and highways go hand-in-hand. I also wish to express our gratitude to Congressman Murtha for his assistance in the development of the major highway system.

The subject of tourism development is near to the hearts of those of us in Blair County and the Southern Alleghenies Region. With the decline of the rail, steel, and coal industries in the region, it has been necessary for us to search for new means to stabilize our economic base.

We have turned to the development of tourism because it is the second largest industry in our fine state and we possess the resources which are necessary to develop the tourism industry. The number one factor that travelers consider when choosing a travel destination is beautiful scenery. This is a resource we possess in great abundance.

Another high ranking factor which determines where people travel is the highway network and accessibility. We have begun to make great strides in that area, but much more work is needed. Fifty percent of the population of this great nation lives within a 400 mile radius of the Southern Alleghenies Region. This provides us with tremendous market potential. With the completion of Routes 220, 219 and 22 we can be linked to that market.

Besides creating better accessibility, it is also necessary to develop new sites to lure travelers into the region. The implementation of the Reconnaissance survey of Western Pennsylvania Roads and Sites is a means to accomplish both of these goals. The plan outlined in Alternative 4 would highlight our existing attractions by making them more congruent and easily accessible as well as open the doors to further development.

We have begun to see great things happen in the region with Lake Raystown and Boyertown U.S.A. It is imperative that we continue to grow in this manner so that we don't lose our young people because they can't find jobs, and prevent our population from dwindling due to the high unemployment rate and little hope for the future.

Because I sit before you today, I have hope for the Southern Alleghenies Region. With the federal government and National Park Service taking an interest in our region I am certain with your assistance we can become a destination for travelers, and bask in the light of economic prosperity again.

Thank you for permitting me to testify before you today.

TESTIMONY

BY

COMMISSIONER WILLIAM C. STOUFFER

CHAIRMAN

TRANSPORTATION COMMITTEE

SOUTHERN ALLEGHENIES PLANNING AND DEVELOPMENT COMMISSION

BEFORE

HOUSE APPROPRIATIONS SUBCOMMITTEE FOR INTERIOR
AND RELATED AGENCIES

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Thank you for permitting me to testify before you today.

FRIDAY, JANUARY 31, 1986.

WITNESS

WILLIAM TELEK, STATE REPRESENTATIVE

Mr. **MURTHA**. Welcome Bill, thank you very much for coming. We appreciate all the work you have done in trying to help us attract industry, and we have tried to work very closely with you. We appreciate your coming and look forward to hearing your remarks because this project that we are starting out on, it is going to take a lot of cooperation between the state and local governments and the Federal Government.

Mr. **TELEK**. Thank you very much, Congressman, I am going to make this very quick.

Mr. **MURTHA**. We would appreciate that.

Mr. **TELEK**. The only thing I am going to do is make a short statement here. First of all, I would like to commend Congressman Murtha for instituting the National Park Service's 1985 Western Pennsylvania Survey. It takes a lot of doing and it does not sound as simple as most people would probably think. But it takes a lot of people putting a lot of things together and making it a reality.

There is no doubt in my mind that this geographic area, and Pennsylvania, can and will benefit economically and educationally if the Federal, State and local governments will work together. We also need to encourage involvement and investment by the private sector. For example, your business and industrial community, your tourist industry, et cetera.

I personally envision a re-emergence and revitalization of our area's economy which has been so badly affected by the problems that are confronted by the steel and coal industries. If these objectives are achieved, I would like to more or less indicate that what we must do is—this is my opinion—define and determine what are our promotable resources. Some of them have been defined and pinpointed, but I think there are other areas we must also look into.

For example, it has been brought to my attention that we have a lot of coal and coal-related history that is related to the field of coal which many of the other parts of the country do not have. We should maybe develop that area a little more. Even though we do have some coal sites that we have developed in the area, I think we have more to show.

Another question is what cultural—historical and educational benefits can we provide, because people will be looking, not only to look at something, but to learn something.

Who determines what phase or phases to implement? You have four phases that are presented to the public and the governments; Federal, local and State. We must determine what phase, or phases, we want to tackle.

Another factor is who and how will it be financed. This is obviously an important issue amongst all of us, especially in line of the new budget concept that is being presented by the administration and Congress. So we have to look into that more closely and maybe call upon more involvement of State and local resources.

Another factor I want to mention is the high speed rail program. We must look into whether or not we can coordinate with the high speed rail system that is being proposed. Hopefully, according to some of the experts, we might have that within the next 10 years or so.

Once again, as I have indicated to Congressman Murtha, you have my full support and endorsement. If I can, through my office, be of any further assistance, do not hesitate to contact me.

Mr. MURTHA. Bill, thank you very much for coming and you notice I gave Ralph Regula a handmade coal miner chipped out of coal. He has a lot of coal in his area so he empathizes and represents a similar area to the area that we represent here. I appreciate all the cooperation we have gotten in the past and this is going to take an awful lot of work on all our parts. Thank you very much for coming.

[The statement of William Telek follows:]

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CHAIRMAN, SUBCOMMITTEE ON TOWNSHIPS
MINES & ENERGY MANAGEMENT
EDUCATION
LEGISLATIVE RESEARCH (LORL)

HOUSE OF REPRESENTATIVES
COMMONWEALTH OF PENNSYLVANIA
HARRISBURG

Re: House Appropriations Subcommittee
National Park Service 1985 Survey
University of Pittsburgh at Johnstown
January 31, 1986

OBSERVATION AND STATEMENT

By
State Representative William Telek
70th District

First of all I would like to commend Congressman Murtha for instituting the National Park Service's 1985 Western Pennsylvania Survey encompassing the Altoona - Johnstown region.

There is no doubt in my mind that this geographic area and Pennsylvania can and will benefit economically and educationally if the federal, state and local governments will work together. We also need to encourage involvement and investment by the private sector. Example: Laurel Highland Tourist Association, business and industry.

I envision a reemergence and revitalization of our area's economy when these objectives are achieved. We must first determine:

(1) What are our promotable resources?

(2) What cultural, historical and educational benefits can we provide?

(3) Who decides what phase or phases to implement?

(4) Who and how will it be financed?

Once again, you have my full support and endorsement. If I can be of any further assistance, please do not hesitate to contact me.

FRIDAY, JANUARY 31, 1986.

CITY OF JOHNSTOWN, PENNSYLVANIA

WITNESS

GEORGE WALTER, DEPUTY DIRECTOR OF COMMUNITY AND ECONOMIC DEVELOPMENT, REPRESENTING HERB PFUHL, MAYOR

Mr. **MURTHA**. Dr. Walter, let me say this to Ralph, this guy taught me in college, he was a sociology professor. I got through the course, Ralph, and he has always been involved in the community. He is a real expert. He was the mayor of Johnstown at one time. The mayor could not come today so he sent an expert in community development.

Dr. **WALTER**. I am basking in the reflective glory of my old students here, Congressman Murtha, Messrs. Wozniak, Stephenson and also Bill Stewart.

The City of Johnstown supports any effort to promote tourism in the area. The city will cooperate with the state and Federal governments and will participate with the private sector to develop natural and cultural resources.

The objectives first, of course, would be to enhance the Johnstown community both financially and culturally. The development of a new tourism industry is consistent, also with the city's current plans and programs to assist individuals and groups to establish businesses.

It is also consistent with Johnstown's participation in the City of Livability Program sponsored by the U.S. Conference of Mayors.

Although the city is prepared to support any alternative, it is the opinion of the mayor and his staff that alternatives one and two are feasible and would have the most positive effects for the Johnstown community.

The financial aspects of any project to create employment is a primary consideration. However, in a depressed area recovering from a severe flood and loss of its major industry, the psychological impact can also be significant.

To make area residents aware of the contributions made by Johnstown in the development of the iron and steel industry and the opening and growth of southwestern Pennsylvania should produce a positive effect on area morale.

Although Johnstown is prepared to move immediately to develop any agreed upon alternative, there are some limitations. The financial state of the city restricts our expenditures. The increased cost of government, the declining revenue base, and the reduction in Federal funds severely limits financial participation at this time. But any other commitment we can make, short of spending money, we certainly are prepared to do.

Again, I would also like to thank Congressman Murtha and the committee. I think he is aware of the fact that we appreciate his efforts along with the people he has made available to us in the interest of the area. I thank you.

Mr. **Murtha**. Doctor, thanks very much for all the work that you have done. We appreciate your testifying before the committee today. Thank you.

Dr. **Walter**. I am available.

[The statement of Herb Pfuhl follows:]

The City of Johnstown supports any effort to promote tourism in the area. The City will cooperate with the state and federal governments and with the private sector to develop natural and cultural resources. The objectives would be to enhance the Johnstown community both financially and culturally. The development of a new tourism industry is consistent with the City's current plans and programs to assist individuals and groups to establish businesses. It is also consistent with Johnstown's participation in the City Livability Program sponsored by the U.S. Conference of Mayors.

It is the opinion of the Mayor and his staff that alternatives (1) one and (2) two are feasable and would have the most positive effect on the Johnstown community. The financial aspects of any project to create employment is a primary consideration. However, in a depressed area recovering from a severe flood and loss of its major industry the psychological impact can also be significant. To make area residents aware of the contributions made by Johnstown in the development of the iron and steel industry and the opening and growth of southwestern Pennsylvania should produce a positive effect on area moral.

Although Johnstown is prepared to move immediately to develop any agreed upon alternative there are some limitations. The financial State of the City restricts expenditures. The increase cost of government, the declining revenue base and reduction in federal funds severely limits financial participation at this time.

Friday, January 31, 1986.

JOHNSTOWN FLOOD 100TH ANNIVERSARY COMMITTEE

WITNESS

RICHARD MAYER, CHAIRMAN

Mr. **Murtha**. Now, we are going to go a little out of order here because Ralph has to leave. There is one fellow who has been so involved in this project and I want him to testify. Dick, how about coming up now. I know we have you scheduled at 11:30, but if you could come up now before Ralph leaves, because even though this will be in the record, he may have some questions for you.

While you are coming up let me say to Ralph: If you read the Tribune this morning, he is also the publisher of the Tribune. You have read all the positive comments that were made and you see so much negative, that it was a delightful edition of the paper to see so many positive stories about what has happened in the area.

Dick Mayer was in the forefront in talking about a 100th anniversary of the flood and trying to get the cottages, which were on the breast of the dam, organized. He has really worked hard in this particular project. We appreciate your work, Dick, and appreciate your coming before the committee today.

Mr. **Mayer**. Gentlemen, I am here as the Chairman of the 100th Anniversary of the Great Johnstown Flood Committee. Our goals are much like yours, we hope to generate tourism. We hope to do that by having a celebration in the city during the entire year of 1989.

That is only three years from now, but we are, at the moment, securing professional help and we will have on board, hopefully by this time next month, an executive director who will be with us for 45 months in order to help celebrate the city.

Along with that celebration, we hope to establish tourism generators so that this is not just a one shot deal. Our goals are to help to establish the visitor's center at the South Fork dam site, to help establish an iron and steel museum in the city, and to help secure a permanent home for D.C. Nokes' Amateur Sports Capital of the World.

We solicit your support on two specific items. We endorse alternative four in this site plan and we would like your help on the visitor's center to see if the opening of the visitor's center can somehow coincide with the beginning of our celebration, probably in the spring of 1989.

Just on the personal side, I do not necessarily agree with the location of the visitor's center, but that does not have anything to do with my testimony here. We just hope to get it open in the spring of that year. Thank you for your time. I appreciate your urgency in leaving and gave my short testimony because of that.

Mr. MURTHA. Just asking from a technical standpoint, where are we with the visitor's center? Staff said that, of course, we have put the money in this year and we have been watching this very carefully trying to phase it in. Some of the rescisions and deferrals have taken it out—it is not a lot of money—but we will try to make sure that it gets finally taken care of this year so they can start, because we know——

Mr. REGULA. Would this be a visitor's center in Johnstown?

Mr. MURTHA. Where is it located?

Mr. MAYER. It is at the dam site.

Mr. MURTHA. And did they come down and talk to you about the objections you had to it being at the dam site?

Mr. MAYER. Yes sir.

Mr. MURTHA. We are trying to work something out so that there will be local input about where it will be.

Mr. MAYER. What can we do to help you get that dam site or visitor's center?

Mr. MURTHA. We think we will be able to work that out. There is an awful lot of money out. Ralph and I should have the final say on it, our subcommittee. But they have handled it a little differently this year, it is a rescission rather than a deferral. A deferral we can handle, but a rescission really puts a hold on it for 45 days. But if there is anything that can be done, we will get back to you on it.

We appreciate your coming before the committee and all the work you have done.

[The statement of Richard Mayer follows:]

RICHARD H. MAYER, CHAIRMAN, 100TH ANNIVERSARY OF THE 1889 JOHNSTOWN FLOOD COMMITTEE

My name is Richard Mayer. I serve as chairman of the 100th Anniversary of the 1889 Johnstown Flood Committee. I am here today to tell you that this area will be celebrating this anniversary in a very positive way during the entire year of 1989.

We expect to coordinate as many activities as possible during that year in order to attract tourism and national publicity for our area.

We expect that the majority of these activities will take place between Memorial Day and the Annual Halloween Parade. There will be continuing events taking place as the City of Johnstown celebrates its 100th anniversary in November or December of that same year.

Our floor promotion group has committed itself to using the 100th anniversary of this disaster as a start toward higher goals. To implement this strategy we have adopted these objectives: Help establish three permanent tourism generators in Cambria County: (1) the Visitors' Center at the dam site in St. Michael; (2) an Iron and Steel Museum somewhere in the city; and (3) a permanent home for The Amateur Sports Capital. The other lasting objective of our committee is to use 1989 as the start of tourism as a major economic factor in our community. We expect that Cambria County will become one of the top ten countries in Pennsylvania for tourism. You realize how high our expectations are when you look at the other areas in Pennsylvania that are now attracting tourists: Philadelphia, Pittsburgh, Erie, Lancaster, Reading, The Poconos, Hershey, Altoona with Boyertown USA, Gettysburg, Bucks County and the Lehigh Valley.

We come before this committee to solicit your support of Alternative #4 in the National Park Service Survey of Roads and Sites. This far-reaching plan will help enhance the economic future of tourism in our area. We also would like to take this opportunity to urge your assistance to assure that the Visitors' Center that is being proposed at the South Fork dam site will be completed and open to the public early in 1959, just three years from now. That Center will be a major factor in our celebration of the area. Hopefully, its opening will coincide with the beginning of our celebration.

Mr. **Regula**. I have to leave because of a commitment in the district tonight, but I just want to say to all of you that I think you have an exciting potential here. I have been impressed with the various historic features that are part of this community.

I think that if you work together you, could make a lot happen in terms of making a community attractive for those that are here as well as for those that would come in from the outside.

Obviously, and you know this as well as I do, or maybe even better, that you have an extremely influential Member in John Murtha. He is highly regarded on both sides of the aisle and certainly would be an individual who can elicit the support of the administration as well as his colleagues in achieving projects.

Obviously, we are confronted with difficult budgetary restraints, both this year and in the future. So that in making a judgment as to where to put our money, we will look to the degree of enthusiasm in the local communities.

If you see that the people in an area want to help themselves, it makes it a lot more attractive to provide some level of Federal assistance because I think the emerging structure of government in the years to come will be a Federal, state, local and private partnership.

And where you see the elements of partnership exist, it will be much more likely to get on board. Everything I see and hear this morning looks to me like great potential.

As a matter of fact, I made a note that in the summer when we have longer hours, I am going to use Amtrak, at least for a trip or two, from my district because we have a stop in Canton and go through the Harrisburg route just to take a look at it from the train.

I happen to be a canal and train and park buff. I was instrumental in the state senate in getting a lot of things of this type in

Ohio. So, I am really impressed with the potential here and will be extremely supportive of everything that your Congressman wants to do in making things happen in your community.

I am pleased that I could join you this morning, Jack.

Mr. MURTHA. Thank you very much, Ralph. What Ralph said is not something he is just saying here, it is something he has been saying over and over again in the committee. He expects cooperation.

When a Member comes before our subcommittee—we control the expenditures to a great extent of the money that is spent throughout the country in the park service and these various projects—he insists and I insist on local involvement and that makes a big difference. The enthusiasm here today is what I was glad that Ralph was able to see. Although we have had a lot of problems, we have overcome those problems and it has worked out very well.

So, thanks very much for coming, Ralph.

FRIDAY, JANUARY 31, 1986.

GREATER JOHNSTOWN CHAMBER OF COMMERCE

WITNESS

JACK BAMFORD, PRESIDENT

Mr. MURTHA. Welcome Jack. We appreciate your coming before the committee and appreciate hearing your testimony.

Mr. BAMFORD. Thank you very much. On behalf of the Greater Johnstown Chamber of Commerce I would like to thank the House Appropriations Subcommittee on Interior for the opportunity to testify.

The Greater Johnstown Chamber of Commerce had its origin 75 years ago in this city. It is true with most chambers, its principal purpose is to promote the civic, commercial and industrial progress of the area.

By the nature of the organization, the Chamber becomes an information and resource center for the area it represents. It serves as a focal point for the distribution of all sorts of information such as community profiles, demographics, and tourism-related information.

Needless to say, the Greater Johnstown Chamber is extremely interested in the development of tourism within the greater Johnstown area as well as the surrounding areas. We believe tourism can have a major impact on the overall economy, create jobs and foster a positive image for the region. As you are aware, Johnstown has had its share of both natural and economic problems in the not too distant past.

Just as a matter of a little background of what the Chamber has been doing in tourism. In 1984, the Chamber participated in a Central Pennsylvania Opportunity Tourism Analysis prepared by the

National Park Service. The Chamber agreed with the basic findings of the report, in particular, the unified regional approach to the promotion of tourism that we felt was necessary.

Once the report was made public, the Chamber established a Committee on Tourism to first analyze the various tourism agencies and programs that have a direct effect on the tourism industry, secondly to develop a plan of action.

The Chamber's Tourism Committee sought to acquire a better understanding of the agencies and programs currently in place, and, as a result, presentations of current marketing plans, future objectives, staffing levels and budgets were made by representatives from the various concerns, Laurel Highlands, Southern Alleghenies and Cambria County Tourist Council.

After all the presentations were made to the committee, a tentative plan was developed consistent with the recommendations of the National Park Service study. However, it was determined that to reach a truly unified county wide decision, it would be necessary to determine the direction of the Northern Cambria County Chamber as well as Prince Gallitzin Tourist and Trade Association. Therefore, three meetings between the organizations and representatives of the National Park Service were conducted.

It was important to note that the last meeting was also to investigate the cooperative efforts in Blair County as well as in Cambria County. This new direction was suggested and set in motion prior to the study that we are discussing today.

Since that time, all concerned met with the Altoona Chamber and the Blair County Visitors and Convention Bureau which is part of the Altoona Chamber. The initial reaction from Altoona and Blair County was very encouraging.

I feel it is most important to note that since the opportunity analysis, several positive developments have occurred. First, there is a greater appreciation and awareness in the business community in regard to the potential of further tourism development and its impact on the area.

Second, avenues of communication between the various organizations have been opened with hopes of developing a unified regional approach.

Third, the various organizations affecting tourism in Greater Johnstown and Cambria County have developed more aggressive and comprehensive plans for marketing this particular area.

We, at the Chamber, commend the efforts of you, Congressman Murtha, and each of the National Park Service people for what you have already done. The study has suggested some interesting alternatives. Consistent with our belief that a regional approach is necessary, we feel the broader based alternative four should be the ultimate approach and we enthusiastically support that approach.

I doubt that anyone reading the study could quarrel with the importance of the development of steel in Johnstown—the national importance of the steel in Johnstown and the rail transportation in Altoona. These are both of extreme national importance that led to the development of the country as a whole—and of such significance that it should be captured and preserved for future generations.

In addition, this area is extremely rich in other historical as well as recreational sites that was pointed out by the reports. Both Blair and Cambria Counties have suffered severely in the recession of the early 1980's and the report points out that Blair's population will increase slightly in the near-term and Cambria County's actually may decrease, and is projected to decrease. Whichever way it goes, slight increase or decrease, the outmigrations are because of lack of employment opportunities.

A report, not too long ago, by the Urban Land Institute stated that growth in this area would have to come from within. It is highly unlikely that a single industry would employ the numbers that steel and rail have in the past. Some small business would be the key.

I do feel that the pursuance of alternative four would create the development of many small businesses and tourism would take its rightful place in our area as the number two or three leading employer and possibly prove to be the economic solution that we have sought.

On a personal note, I am not a native from this particular area. I grew up in Pittsburgh and then had the good fortune to spend two stays in the Johnstown area, once in the 1960's and now once here in the 1980's. What I said here I truly believe: The area has a lot of natural resources that can be put together in a tourism package.

When I say that, it reminds me pretty much of the steel and rail industries. Speaking of steel, how the ore came from Prospect Hills and how the coal came from surrounding areas and how the manpower came from Europe and how the water led to be able to transport it.

Again, the tourism thing by melting all these things together would lead to an industry that would help the unemployment in this particular area. I do feel, and have envisioned, that there are many, many natural sites that would make the area a natural tourist attraction as well. Thank you.

Mr. MURTHA. Jack, thank you very much for coming. You heard Ralph Regula; he is as impressed as anybody that comes to this area with the number of attractions we have. We just have to find a way to exploit it. Thank you very much.

Mr. BAMFORD. You are quite welcome. Thank you.

[The statement of Jack Bamford follows:]

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CHAMBER OF COMMERCE / GREATER JOHNSTOWN
INCORPORATED

TO: House Appropriations Subcommittee for Interior and Related Agencies

FROM: E. Jack Bamford, President
Greater Johnstown Chamber of Commerce

FIELD HEARINGS

PURPOSE: Information Gathering on the National Park Service's "1985 Reconnaissance Survey of Western Pennsylvania Road & Sites"

January 31, 1986

On behalf of the Greater Johnstown Chamber of Commerce I would like to thank the House Appropriations Subcommittee for Interior and Related Agencies for this opportunity to testify.

The Greater Johnstown Chamber of Commerce had its origin 75 years ago in the City of Johnstown, Pennsylvania. As is true with most Chambers its principal purpose is to promote the civic, commercial, and industrial progress of our area.

By nature of the organization the Chamber becomes an information and resource center for the area it represents. It serves as a focal point for distribution of all sorts of information such as community profiles, demographics, and tourism related information.

The Greater Johnstown Chamber is extremely interested in the development of tourism within Greater Johnstown and Cambria County.

We believe tourism can have a major impact on the overall economy, create jobs, and foster a positive image of the region. As you may be aware Johnstown has had its share of setbacks both both natural and economic.

In 1984 the Chamber participated in the " Central Pennsylvania Opportunity Tourism Analysis " prepared by the National Park Service.

The Chamber agreed with the basic findings of the report. In particular that a unified regional approach to the promotion of tourism was necessary.

Once the report was made public the Chamber established a Committee on Tourism to first analyze the various tourism agencies and programs that have a direct affect on the tourism industry and second develop a plan of action that would lead to a more unified and targeted marketing effort in tourism promotion for the area.

The Chamber's Tourism Committee sought to acquire a better understanding of the agencies and programs currently in place in the region. As a result presentations on current marketing plans, future objectives, staffing levels, and budgets were made by representatives from Laurel Highlands, Inc., the Southern Alleghenies Planning and Development Commission and the Cambria County Tourist Council.

After all presentations were made to the committee a tentative plan was developed consistent with the recommendation of the National Park Service study. However, it was determined that to reach a truly unified county-wide decision it would be necessary to determine the direction of the Northern Cambria County Chamber and the Prince Gallitzin Tourist and Trade Association. Therefore, three meetings between the above organizations and representatives of the National Park Service were conducted.

It is important to note that at the last meeting support was given to investigate cooperative efforts between Blair and Cambria Counties.

This new direction was suggested and set in motion prior to the "Reconnaissance Survey of Western Pennsylvania Roads and Sites" (NPS 1985) being made public. Since that time all concerned met with the Altoona Chamber of Commerce and the Blair County Visitors and Convention Bureau which is part of the Altoona Chamber. The initial reaction from Altoona and Blair county was encouraging.

I feel it is also important to note that since the Opportunity Analysis several positive developments have occurred. First, there is a greater appreciation and awareness among the business community in regard to the potential of further tourism development and its impact on the area. Second, avenues of communication between the various organizations have been opened with hopes of developing a unified regional approach to tourism. Third, the various organizations affecting the tourism industry in Greater Johnstown and Cambria County have developed more aggressive and comprehensive plans for marketing of the area. Finally, signing problems highlighted in the report coupled with the difficulty experienced by Priscilla Baker of the Park Service in coming to Johnstown to deliver the findings provided the impetus to correct a serious signing situation.

We at the Chamber commend the efforts of Congressman Murtha, each of you and the National Parks Service for the work already done to help focus our Tourism efforts.

The "Reconnaissance Survey of Western Pennslyvania Roads and Sites" has suggested some interesting alternatives for future direction of local efforts.

Consistent with our belief that a regional approach is necessary, we feel the boarder based alternative 4 should be the ultimate goal and enthusiastically support that approach.

I doubt that anyone reading the study would disagree that the development of steel in Johnstown and the rail transportation in Altoona was of extreme national importance and of such significance that it should be captured and preserved for our future generations. In addition, this area is extremely rich in other historical, as well as recreational sites as pointed out in the report.

Both Blair and Cambria Counties have suffered severely from the recession of the early '80's, and the report points out that Blair's population will increase slightly in the near term and Cambria County's actually decrease. The slight increase or decrease, of course, is the out-migration because of the lack of employment opportunities. A report by ULI (Urban Land Institute) stated that growth in this area would have to come from within. It is highly unlikely that any single industry would employ in the numbers that steel and the railroads have in the past. Small business would be the key. I do feel that the pursuance of Alternative No. 4 would create the development of many small businesses, and tourism would take its rightful place in our area as the number 2 or 3 leading employer and possibly prove to be the economic solution that we have sought.

FRIDAY, JANUARY 31, 1986.

GREATER JOHNSTOWN COMMITTEE

WITNESS

GERALD MOCK, CHAIRMAN

RANDY WHITTLE, EXECUTIVE DIRECTOR

Mr. MURTHA. Randy Whittle, Executive Director of the Greater Johnstown Committee.

Mr. WHITTLE. Mr. Murtha, Mr. Gerald Mock, our chairman, will give our testimony.

Mr. MURTHA. Oh sure, come up Jerry. Delighted to have you. Welcome.

Mr. MOCK. Mr. Murtha.

Mr. MURTHA. We appreciate all the work the Greater Johnstown Committee has done and appreciate your personally taking the time to come before the committee.

Mr. MOCK. Thank you. I would first like to indicate that the Greater Johnstown Committee represents the business and professional people in our community and are dedicated to the overall betterment of the region. So I want to certainly welcome this opportunity to be here and to give our report and make a few comments.

The National Park Service, I am certain with the encouragement of this committee, has embarked on a practice of looking beyond simply the boundaries of its own facilities.

While the park service operates sites of national significance, its leaders are discovering that the various parks, monuments, battlefields, and all of these things are just as important as some of the things that we have in our area and that we have some very important areas that we would like to amplify.

So it is certainly better in the terms of visitation rates when the park service staff works closely and actively with other tourism interests in the overall area to boost each other's facilities.

Our own superintendent, and we say our own, Randy Cooley, works so closely with everyone here that we feel like he is one of our own. The park service superintendent, Randy Cooley, has taken great measures to relate the Allegheny Portage Railroad and the flood memorial sites to other cultural and tourism programs and attractions both in the Johnstown/Cambria/Somerset area as well as the Altoona/Blair area.

This committee and you, Congressman Murtha, and the National Park Service, are all to be commended for encouraging and for undertaking the Reconnaissance Survey of Western Pennsylvania Roads and Sites. The study, which begins from the perspective of networking potential nationally significant historical attractions to other tourism facilities in our broad area, reveals and documents what a number of us, in and about Johnstown, have believed to be true for a long time.

Johnstown, especially the old Cambria Iron Company, pioneered the emergence of the modern iron and steelmaking industries from the charcoal-iron forge era to today's modern steel mills.

Not only did Johnstown help pioneer these aspects of the middle industrial revolution in our Nation, but this all happened because of a unique combination of things which we have here and we have developed together.

Iron ore was mined by the thousands of tons, mainly from what we today call Prospect Hill. Although sealed off, some of these old iron ore mine tunnels still exist and are within the current city limits of Johnstown.

Metallurgical coal was mined by the millions of tons from mines still existing, though idle, and located under the City of Johnstown and adjacent municipalities.

Coke was made here in just about every process for steel making from the early iron forges through a thing developed here called the Kelly Converter, to Bessemer and open hearth-type furnaces up to modern electric furnaces.

The park service reconnaissance report states: "Based on a cursory investigation of relevant sources, it appears this firm"—and we are talking about the Cambria Iron Company that merged with the Bethlehem Steel Company after World War I—"made nationally important contributions to the development of the iron and steel industry in the 1850's through the 1870's."

We believe that you will find that from the Civil War period to 1879, Cambria Iron was the largest steel plant in the United States. Iron rails were made here and helped to develop this Nation. We are convinced that a case for national significance can and will be made, both related to steelmaking at Johnstown and railroading at and near Altoona.

We preserve and interpret our important historical buildings and our battlefields. We should also preserve and interpret our Nation's industrial and commercial heritage. The reconnaissance survey lists four alternatives. The Greater Johnstown Committee recommends alternative number four and that is explained between pages 44 through 52.

I want to assure you—and I know you have experienced this in the past—that the business community and professional community is always 100 percent behind any worthwhile program, and we offer that kind of assistance. I want to thank you for letting me speak and having an opportunity to be a part of this presentation.

Mr. MURTHA. Jerry, has the Greater Johnstown Commitee studied the alternatives?

Mr. MOCK. Yes.

Mr. MURTHA. Which recommendation?

Mr. MOCK. Number four. We have studied all of the alternatives and number four is our strong recommendation.

Mr. MURTHA. I appreciate what you are saying. As you know, we have been so involved in trying to save basic industry and trying to keep what we have got in addition to attracting new jobs, tourism has been something that has gone on and a lot of people worked at it. It has been, obviously, very successful because of the number of people who are employed and involved in it. We appreciate your support and we will be looking forward to working with you in this endeavor.

Mr. MOCK. Fine. Thank you very much.

[The statement of Gerald Mock follows:]

the Greater Johnstown Committee GJC

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Randolph G. Whittle, Jr.
Executive Director

Carol J. Harrison
Administrative Assistant

TESTIMONY OF GERALD R. MOCK, CHAIRMAN,
GREATER JOHNSTOWN COMMITTEE, BEFORE
FIELD HEARING OF THE HOUSE APPROPRIATIONS SUBCOMMITTEE
FOR INTERIOR AND RELATED AGENCIES
JANUARY 31, 1986

Mr. Murtha and members of the House Appropriations Subcommittee for Interior and Related Agencies, I am Gerald Mock, Chairman of the Greater Johnstown Committee, a consortium of business and professional persons dedicated to the overall betterment of the Johnstown region. I want to welcome all of you here.

The U. S. Park Service, I am certain with the encouragement from this committee, has embarked on a practice of looking beyond simply the boundaries of its own facilities. While the Park Service operates sites of national significance, its leaders are discovering that the various parks, monuments, and so forth, do better in terms of visitation rates when the Park Service staff works closely and actively with other tourism interests in the overall area to boost each other's facilities.

Our own Superintendent -- we say our own because Randy Cooley works so closely with everyone here that we feel like he's one of our own -- the Park Service Superintendent, Randy Cooley -- has taken great measures to relate the Allegheny Portage Railroad and Flood Memorial Sites to other cultural and tourism programs and attractions both in the Johnstown-Cambria-Somerset area as well as the Altoona-Blair area.

This committee, and you, Mr. Murtha, and the U. S. Park Service are all to be commended for encouraging and for undertaking the Reconnaissance Survey of Western Pennsylvania Roads and Sites.

The study, which begins from the perspective of networking potential nationally significant historical attractions to other tourism facilities in our broad area, reveals and documents what a number of us in and about Johnstown have believed to be true for a long time.

Johnstown, especially the old Cambria Iron Company, pioneered the emergence of the modern iron and steelmaking industries in the United States from the charcoal-iron forge era to today's modern steelmills.

Not only did Johnstown help pioneer these aspects of the middle-industrial revolution in our nation, but this all happened because of a unique combination of things which were here and were developed together.

Iron ore was mined by the thousands of tons mainly from what we today call Prospect Hill. Although sealed off, some of the old ore mine tunnels still exist and are within the current city limits of Johnstown.

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The Park Service Reconnaissance Report states, "Based on a cursory investigation of relevant sources, it appears this firm..." (and we're talking about Cambria Iron Company which after World War I was merged into what is today the Bethlehem Steel Company) "...made nationally important contributions to the development of the iron and steel industry in the 1850's through the 1870's.

We believe you will find that from the Civil War period to 1879, Cambria Iron was the largest steel plant in the United States. Iron rails made here helped to develop this nation.

We are convinced that a case for national significance can and will be made both related to steelmaking at Johnstown and railroading at and near Altoona.

We preserve and interpret our important historical buildings and our battlefields. We should also preserve and interpret our nation's industrial and commercial heritage.

The Reconnaissance Survey lists four alternatives. The Greater Johnstown Committee endorses Alternative Number Four as explained between pages 44 and 52 of the report.

I want to thank you for letting me be with you this morning.

GERALD R. MOCK, CHAIRMAN
GREATER JOHNSTOWN COMMITTEE, INC.

FRIDAY, JANUARY 31, 1986.

JOHNSTOWN FLOOD MUSEUM

WITNESS

RICHARD BURKERT, EXECUTIVE DIRECTOR

Mr. **MURTHA**. Welcome Rich, we appreciate your coming. Your entire testimony will appear in the record. Would you summarize it for me.

Mr. **BURKERT**. On behalf of the Flood Museum's Board of Directors, I would like to thank you for allowing me to come here today and support further study of the historical themes and sites that have been identified in the reconnaissance survey recently issued.

We think the study contains some very bold and important concepts for developing our historical heritage. I think it also makes possible some insights and understanding of our American heritage which has not previously been developed anywhere in the United States.

Consideration is currently being given to developing an historical park that links—well, that tells the story of American industrial revolution within the themes of the development of the steel industry and transportation.

In the committee's deliberations, I think there are—Mr. Mock referred to this earlier—there are really two questions that need to be asked: One, is this a nationally significant story and secondly, is western Pennsylvania's Johnstown and Altoona the best site to do that.

In reference to the first question, I think the case can be made that there is no industry, no event in America—within the last 100 years—that so profoundly affected Americans as the onset or the advent of the age of cheap steel. Nor one that is so totally neglected in the park service portfolio.

American steel rails crossed the American continent and opened up the west and made possible the automobile, the high-rise building, and has been the backbone of our defense in times of war. But nowhere is the story told.

The American industrial society really is based on steel. From 1886 onward, the U.S. steel industry was the largest in the world. We have been told for some time, Americans have been told, that we are living in a post-industrial age. I think in looking around here in Johnstown, what has happened in the Bethlehem Steel Corporation: In the last 10 years employment levels have dropped from 12,000 to 2,000 employees.

Perhaps this is true, this is a stage of American history that is behind us to a certain extent. If so, I think Americans are going to be increasingly interested in this part of our heritage. If we accept the principle that this is a nationally significant thing and it should be preserved for future generations and told somewhere, then we should look around and see where the industry got started and where is the best place to tell it.

I submit to you that Johnstown is really the home of, in many regards, the industrial age in America. There are many, many steel industry cities that grew up in the late 19th and early 20th century: Gary, Indiana; Steelton, Pennsylvania; Pittsburgh, Pennsylvania; Chicago, Illinois. But I submit to you that Johnstown really was the training ground and model for all of them.

Looking at the historical sources from the 19th century, it is clear that something truly revolutionary and exciting was going on here in the late 19th century. From the 1850's onward, Johnstown was transformed by the Cambria Iron Company into one of the most remarkable industrial areas in the world, a steel center to which millmen and technical writers from around the world made pilgrimages.

A few of the more important events would include, most particularly one that Mr. Mock referred to: Mr. Kelly's Converter. By the 1860's, the lack, high cost and scarcity of steel in America was a significant problem.

I am sure everybody has heard of the Bessemer Process for making steel which was the first relatively cheap and quick method of making steel, which transformed the steel industry.

As it turns out, this was co-invented here in Johnstown by William Kelly in a corner of the Cambria Iron Company in 1862. He demonstrated his revolutionary new converter and actually was able to get the American patent on the process.

Cambria Iron Company owned part of the rights to the process and was instrumental in the introduction of the so-called Bessemer Process. The age of cheap steel would soon be on and, in part, due to the energy and inventiveness of a small group of Cambria engineers, names including Alexander Holley, John and George Fritz, Captain Bill Jones, Robert Hunt and quite a few others that really should be remembered, I think, better remembered than they are, in many ways are our true American heroes.

In addition to the pioneering efforts and the introduction of cheap steel, the Cambria plant had a long list of firsts. In 1857, John Fritz's three-high rolling mill was first demonstrated here. It became a universally adopted revolutionized rolling mill practice.

In 1867, the first steel rails rolled on commercial order were manufactured here in Johnstown. In 1879, Cambria got its first major open hearth furnace—we pioneered that as well as the Bessemer Process. In 1881, we had the first industrial hospital associated with the steel company. The list goes on and on.

Throughout the late 19th century, Johnstown was one of the preeminent steel centers. As we went into the 20th century, geographic factors, as the economy moved west and some more raw materials moved west, Johnstown's steel industry began to wane to a certain extent.

They concentrated on their specialty products and actually had tonnage output levels annually of as much as 2.3 million tons. But in the last 10 years that industry has really fallen on hard times. As I mentioned earlier, the employment level at the Bethlehem plant is down to about 2,000.

The area is a great attraction for historians, industrial archaeologists. Nowhere that I know can you see the—as Mr. Mock referred to earlier—continuum from the charcoal-iron smelting process all the way up to today's electric furnaces which could possibly be visited by tourists if safety considerations were met. Likewise, very seldom can you see the full range of products. We started out as a rail mill when it was constructional steel, plate, wire and so it was all made here in Johnstown.

In reference to the four alternatives put forth in the reconnaissance survey, the Museum's Board of Directors have not endorsed specifically one, although we see value in all of them. Certainly pairing Johnstown with Altoona would give the American public a concrete insight into the forces that shaped modern America, transportation and steel went hand in hand.

Likewise, the scenic highway proposal would help us to direct people within the district, and the marketing proposal contained in option four, I think, is going to be extremely important if we are to attract visitors to the area.

We, at the museum, are involved and interested and pledge our support to this, limited support is really the best we can do at this point. We started a records program to collect steelmaking records in cooperation with Bethlehem. But to make any progress with this proposal, we will need personnel and financial resources that are far beyond the means of the museum at this point.

In summary though, we do believe that this is an important and exciting proposal, one that has the potential to help us, as Americans, to better understand where we have been and where we are going.

Mr. **Murtha**. Rich, we appreciate all the work you have done there with so little outside help. You have done an outstanding job, and let me tell you I was very impressed.

Mr. **Burkert**. Thank you very much.

Mr. **Murtha**. Thank you very much.

[The statement of Richard Burkert follows:]

To: House Appropriations Subcommittee for Interior and Related Agencies

From: Richard A. Burkert, Executive Director
Johnstown Flood Museum

On behalf of the Johnstown Flood Museum, I would like to thank the subcommittee for this opportunity to testify in support of further study of the historical themes and sites set forth in the Reconnaissance Survey of Western Pennsylvania Roads and Sites. We believe that the survey puts forth some bold concepts for preserving and interpreting regional historical resources, and would make possible a new and important way of looking at our American heritage.

Consideration is currently being given to funding further studies relating to the development of an historical park which would preserve and portray America's industrial revolution within the themes of steelmaking and transportation. In the committee's deliberations, two questions must indeed be paramount: Are these themes of national significance?; and; Is western Pennsylvania the best site for telling this story?

In reference to the former question, there is perhaps no major historical theme that is so neglected as the advent of large-scale steelmaking in the United States, nor one that has so clearly affected the lives of average Americans. The United States steel industry spanned the continent with steel rails and opened up the American West, made possible the automobile and the high-rise building, and was the backbone of American defense in times of war. America's great industrial society was based on the production of steel, and, from 1886 onward, the United States was the largest steelmaking nation in the world. For some time now, Americans have heard that they live in a "post-industrial age." Perhaps this is so, particularly in light of what has happened in Johnstown's steel industry. At the Johnstown Plant of Bethlehem Steel Corporation, employment has dropped from the 12,000 to 2,000 level. But the waning of this major industry has brought a new interest in its history, and Americans are beginning to look at and understand their industrial heritage. Clearly, the steelmaking industry is one of the major forces that shaped modern American society, but nowhere is its story adequately preserved for future generations.

If preserving and presenting the history of large-scale steelmaking is important to an understanding of the American heritage, then we should endeavor to trace the industry's roots and locate where it got started. American industrial society started in the late 1860's, and Johnstown can well claim to be its home. Historical evidence makes it abundantly clear that something revolutionary was going on here in Johnstown in the late 19th century. Once begun, this rapidly expanding industrial economy produced major steel centers such as Pittsburgh, Steelton, Chicago, Gary and many others, but Johnstown's Cambria Iron Company can be considered to be the training ground and model for all of them.

The testimony of contemporaries well shows the greatness of Johnstown's steel industry. Andrew Carnegie, who in the 1870's raided the Cambria works for some 500 trained steelworkers for his new Edgar Thompson plant, once said, "the Cambria Works produced more great steelmakers than any other works in the United States." B. Frank Jones of the Jones and Laughlin works once said that, "Cambria was the cradle in which the great improvements in rolling mill practice were rocked." From the beginnings of the Cambria Iron Company in the 1850's, Johnstown was transformed into one of the most remarkable industrial areas in the world. From a pleasant canal village, Johnstown quickly developed into the nation's leading steel producer, a center to which millmen and technical writers from around the world made pilgrimages.

By the 1860's, the scarcity and high cost of steel was becoming a significant problem in the United States. The 1860's and '70's were the critical period in the American steel industry, an era which saw the introduction of the revolutionary Bessemer or Pneumatic process of steelmaking. Named for Sir Henry Bessemer, a brilliant British physicist, the Bessemer Process was the first quick and relatively cheap method of making steel. As it turns out, the process was co-invented by a William Kelly, who worked earlier and independent of Bessemer. In 1862, in a corner of Cambria Iron Company, Kelly successfully demonstrated his pneumatic steel converter, and was awarded the American patent on this revolutionary method. Under the leadership of Daniel J. Morrell, Cambria's general manager, the rival Kelly and Bessemer patents were consolidated in 1866. The age of cheap steel would soon arrive, due in part to the energy and inventiveness of a small group of engineers working at the Cambria plant who overcame the practical problems of making Bessemer steel. This group included Alexander Holley, John and George Fritz, "Captain Bill" Jones, Robert Hunt, and other leading innovators, names that should be better remembered as true American heroes.

In addition to pioneering the new methods of producing steel, Johnstown's steel industry is remembered for a long list of firsts. These include John Fritz's three-high rolling mill that, in 1857, transformed rolling mill practice and was soon universally adopted. The first steel rails rolled on commercial order were manufactured here in 1867. The first industrial hospital was founded here in 1881.. Cambria was the first major steelworks to install an open hearth steel furnace, which went on line in 1879. The list goes on and on.

Throughout the nineteenth century, the Cambria works remained as one of the nation's foremost steel centers. But with the westward movement of the American economy and new sources of raw materials, Johnstown's steel industry was faced with increasing problems due to its geographic isolation. Nevertheless, the plant concentrated on a line of specialty products, and had output levels as high as 2.3 million tons per year. Faced with increased competition and decreases demand, Johnstown's steel industry has waned in the past ten years.

But the area is a great attraction for historians. All iron- and steelmaking processes from the early days of charcoal smelted iron to today's electric furnace process have been used here, allowing one to give visitors a comprehensive understanding of the American metal industry. Likewise, the full range of iron and steel products have been manufactured here.

In reference to the options put forth in the Reconnaissance Survey, we believe that the several concepts have value. The pairing of Johnstown's steel history with Altoona's railroading heritage would give the American public a concrete understanding of these co-eval industrail forces. Likewise, the scenic highway proposal would better link the sites, and the regional marketing program would permit us to better reach the public. While we are not specifically endorsing one alternative, we do want to make the case that we will need the support and technical assistance of the federal government if this project is to proceed.

In summary, we believe that this is an important and exciting proposal, one that has the potential to help us, as Americans, to better understand where we have been and where we are going.

FRIDAY, JANUARY 31, 1986.

LAUREL HIGHLANDS TOURIST PROMOTION AGENCY

WITNESS

NICHOLAS JACOBS, EXECUTIVE DIRECTOR

Mr. MURTHA. Welcome, Nick, we appreciate your coming here today. Your testimony will be in the record in full and we would appreciate your summarizing that testimony for us.

Mr. JACOBS. I thank you for the opportunity to come before you today, also. We are on a two-fold mission and that is to, first of all, endorse the overall study as it stands, as it generally relates to increased tourism. My board of directors takes the stand that the project itself, as suggested, would benefit the entire economy of the area. Obviously, with tourist promotion as our business, we endorse that wholeheartedly.

The second reason for my testifying here today is to elaborate upon some of our beliefs as they relate to more effective and efficient use of the resources available for tourism promotion in the defined area.

Although over 50 percent of the National Park Service survey dealt with the region defined by the Pennsylvania Department of Commerce's Bureau of Travel Development as Laurel Highlands, only once is the region ever referred to in the study.

The Laurel Highlands Tourist Promotion Agency is the official tourist promotion agency for Somerset, Westmoreland and Fayette Counties with over 50 members in Cambria County, the county which we have actively represented for nearly a decade. The Laurel Highlands Tourist Promotion Agency was founded in 1958 and is one of the state's largest, oldest and most respected organizations on the state level.

The National Park Service survey deals with every facet of its proposals with this well-known, well-defined region without ever fully acknowledging the region as a prominent tourist entity within the State of Pennsylvania, or as the Laurel Highlands as the regional tourism agency to properly promote those alternatives in that survey.

We currently have six full-time and seven part-time employees, a $450,000 operating budget, information centers in Uniontown, Somerset, Ligonier and New Stanton, and we are serving the six million people a year that are exiting the Pennsylvania Turnpike. These tourists, by the way, spent in excess of $350 million in 1984 in our region, and all of these facts were overlooked in the survey. We wanted to bring those out to you today.

We are a continuous full-time operation. With that, we have full-time personnel developing motorcoach, conference and convention, family and individual travel into the region.

We do endorse the concept of having the story promoted locally, but feel that the study which tells the story of Fayette County's coal, its million people a year doing white water rafting, and its rich history which ties into the beauty of the ski resorts of Somerset County and Somerset County's well known state parks, the hiking, the cross country skiing trails, and elaborates upon Westmoreland County's well know history and natural beauty, should promote the area in concert with the Laurel Highlands.

In fact, it was incomprehensible that the survey could have been done without considering the Laurel Highlands more seriously in the overall design of the project. We are a known destination with the type of national clout already existing to attract millions of people who are exiting into the area. We feel that as the largest tourist promotion agency in proximity to the project that we can help to promote it in every way possible and we will do that in the most effective and efficient means.

We support and endorse this concept, but we ask you to consider Laurel Highlands a little more seriously, perhaps, in the overall promotion of the project.

Mr. MURTHA. Do you have an alternative that you recommend of the four alternatives that they suggested?

Mr. JACOBS. Yes, we endorse alternative four, and currently our marketing plan is geared directly toward alternative four so that all of our efforts are going in that direction.

Mr. MURTHA. Obviously, the tourist industry has done a good job. It is the second largest industry in the area. You have done a lot of good work and what we are trying to do is get people like yourself together and listen to your suggestions and see if we can focus attention on how Federal and state money should be spent to help you in the work that you are doing. So, thank you very much, Nick.

Mr. JACOBS. Thank you.

[The statement of Nicholas Jacobs follows:]

You've got a friend in Pennsylvania

Laurel Highlands, Inc.

TOURIST PROMOTION AGENCY • SERVING SOMERSET, WESTMORELAND, FAYETTE COUNTIES AND THE GREATER JOHNSTOWN AREA

Town Hall • 120 East Main Street
Ligonier, Pennsylvania 15658
Phone (412) 238-5661

NICHOLAS JACOBS
EXECUTIVE DIRECTOR
LAUREL HIGHLANDS TOURIST PROMOTION AGENCY

Representative Murtha, honored guests, and members of the National Park Service, I am here today representing the Laurel Highlands Tourist Promotion Agency with two distinct missions. The first is to give our positive endorsement to the concepts outlined by the "Reconnaissance Survey of Western PA Roads and Sites" as they generally relate to increased tourism in the counties studied. It is the position of the Laurel Highlands Board of Directors that projects such as those suggested in the Study would benefit the entire economy of the area, and that anything that will increase tourism in the area deserves our endorsement.

Our second reason for testifying here today is to elaborate upon our beliefs as they relate to a more effective and efficient use of the resources available for tourism promotion in the defined area.

Although over 50% of the National Park "Reconnaissance Survey of Western PA Roads and Sites" deals with the region defined by the PA Department of Commerce's, Bureau of Travel Development as the Laurel Highlands, only once is the region even referred to in the study.

The Laurel Highlands TPA is the official tourist promotion agency for Somerset, Westmoreland, and Fayette Counties with over 50 members in Cambria County which has been represented by the agency for more than a decade.

The Laurel Highlands Tourist Promotion Agency, founded in 1958, is one of the State's largest, oldest, and most respected organizations. The National Park Survey deals in every facet of its proposals with this well known, well defined region without ever fully acknowledging the region as a prominent tourist entity or the Laurel Highlands TPA as the regional umbrella tourist promotion agency to properly promote the alternatives listed in the survey.

continued ....

The Laurel Highlands currently has six full time, and seven part time employees, a $450,000 operating budget, information centers in Uniontown, Somerset, Ligonier, and New Stanton serving the 6 million people per year that utilize the four Laurel Highlands exits of the PA Turnpike. These tourists spent in excess of $350,000,000 dollars in 1984 in the defined region. All of these facts were overlooked in the survey.

The Laurel Highlands is a functioning entity with full time personnel developing motorcoach, conference and convention, family and individual travel into this region. We do endorse the concept of having the area promoted locally, but feel that the study which tells the story of Fayette County's coal, its white water rafting and rich history, which ties into the beauty of the ski resorts of Somerset County, its well known State Parks, hiking and cross country skiing trails, and elaborates upon Westmoreland County's well known history and natural beauty should promote the area in concert with the Laurel Highlands. In fact, it was incomprehensible that the survey could have been done without considering the Laurel Highlands more seriously in the overall design of the project.

The Laurel Highlands is a known destination, with the type of national clout necessary to attract the millions of people who are already exiting into the area.

We feel that as the largest tourist promotion agency in proximity to the project we can and will help to promote it in every way possible and that we can provide the most effective and efficient means to promote the project.

We support and endorse the concept of additional national park sites in the area, but ask you to consider the Laurel Highlands more seriously as the natural, regional umbrella for the defined area.

FRIDAY, JANUARY 31, 1986.

HISTORIC SALTSBURG

WITNESSES

ANN PALMER, PRESIDENT
GEORGE JOHNSON, VICE PRESIDENT

Mr. MURTHA. Welcome.

Ms. PALMER. Thank you, Congressman Murtha and Members of the House Appropriations Subcommittee. I want to tell you how I appreciate this opportunity given to me by this committee to testify in support of the National Park Service's 1985 Reconnaissance Survey of Western Pennsylvania Roads and Sites Report.

At this time, I would be very pleased to introduce my vice president, author of the book Saltsburg and Pennsylvania Canal, also the founder of Historic Saltsburg, Incorporated, Mr. George Johnson.

Mr. MURTHA. Welcome, Mr. Johnson.

Mr. JOHNSON. Thank you.

Ms. PALMER. At this time, if I may mention several of the people of Saltsburg and Indiana who have supported this project and are with us here today: Rebecca Hadden, President of the Saltsburg Area Branch Historical Society; William Wolford, Executive Director and Curator, Indiana County Historical and Genealogical Society. We are very pleased to have with us Indiana County Commissioner Beatrice States, and Mr. Clarence Stevenson, noted Indiana historian and author. We are pleased to have them with us today.

From its inception in 1981, Historic Saltsburg Incorporated has championed the cause of the preservation of the remains and the sites of the Western Division of the Pennsylvanias Canal, also the site of the canal and the historic canal-related buildings in the small Indiana County, Borough of Saltsburg. These remains and the site of the canal in Saltsburg offer a rare and valuable contribution to the history of transportation in the United States and in the Commonwealth of Pennsylvania.

These remains and the site have been placed on the National Register of Historic Places. Historic Saltsburg, Incorporated has taken the lead in Indiana County in an effort to preserve these sites and bring them to national attention believing that they must become a part of the significant historic, natural and scenic resources to be developed in southwestern Pennsylvania. We applaud the significance of the inclusion of our particular interest, Saltsburg, as a prominent historical resource in the reconnaissance report.

Historic Saltsburg, Incorporated would strongly support the inclusion of the Pack Saddle Gap canal sites in Westmoreland County, east of Blairsville, because this contains the finest existing canal remains on the Western Division. This six mile long site is also on the National Register of Historic Places. We would also strongly support the inclusion of the Saltsburg Canal Site. Saltsburg is the only town remaining on the Western Division with the site of the entire canal open through the town. It is on the National Register of Historic Places.

There are approximately 40 canal period structures still extant in the town and these are contained in the Pennsylvania State Inventory of Historic Places, Historic District. The unobstructed site of the canal and the Historic District in Saltsburg does, indeed, make this area unique and rare.

Historic Saltsburg, Incorporated offers its fullest cooperation to the National Park Service in any activity dedicated to the development of historic recreational and cultural preservation of the Western Division of the Pennsylvania Canal and the Borough of Saltsburg.

Thank you. Do you have any questions?

Mr. **MURTHA**. Thank you very much, Ann, and I appreciate your coming. Of course, my mother was born in Saltsburg and lived there for years. I go there often. I am familiar, because of your work and the other folks that have met with me on a number of occasions, about the canal. It is impressive, the work that you have done on your own, and we will do everything we can, as we try to bring this thing together, to make sure that Saltsburg is included in this endeavor. Thank you very much.

Ms. **PALMER**. Thank you, Congressman.

[The statement of Ann Palmer follows:]

Ann Palmer, President
Historic Saltsburg, Inc.
Saltsburg, Pa.

The following statement is directed to the House Appropriations Subcommittee for Interior and Related Agencies as the result of the National Park Service's 1985 Reconnaissance Survey of Western Pennsylvania Roads and Sites.

Historic Saltsburg, Inc. is especially interested in the expansion of the scope of canal transportation beyond the Allegheny Portage Railroad. It has been Historic Saltsburg's observation that as important as the APRR is, it is but a pivotal point. Many visitors are not fully aware of the fact that there was canal both to the east and particularly to the west of the APRR.

Historic Saltsburg, Inc. feels that a canal trail to be followed by car could be established so that sites to the east of the APRR and especially to the west could be made available to the public. These sites of greatest significance are clearly laid out in the National Register of Historic Places documentation for the Western Division. These sites include:

> A beautifully preserved large culvert at India in Indiana County.
>
> A six mile stretch between Bolivar and Torrance in Westmoreland County which includes canal prism, canal locks, dam sites, slackwater sections and mule bridge crossover abutments in addition to a still-watered section between Locks 2 and 3 on the Ligonier Line of the canal.
>
> The other most significant canal resources on the Western Division lie between the small village of White Station and the borough of Saltsburg. At White Station there is another rare section of watered canal. Just below this are the remains of Lock 9. From this point the canal towpath and the sites of 2 canal culverts are extant. Beyond the second culvert to Saltsburg much of the canal prism has been usurped by the Pennsylvania Railroad right-of-way but the canal prism is still visible in a number of places up to Saltsburg.

The borough of Saltsburg is unique in canal resources on the Western Division for the following reasons:

> The width of the canal site through the borough is open and unobstructed and is owned by the borough.
>
> It is presently developed as a canal theme historical park between Market Street and the northern borough line. This park development has been accomplished by Historic Saltsburg, Inc. and members of the community.
>
> Within the borough there have been eight canal property marker stones visible above ground and others that are below ground.
>
> Saltsburg is without question the only town between Johnstown and Pittsburgh that retains the open site of the canal.
>
> There is a state-recognized historic district within the borough of Saltsburg which includes approximately 40 canal period structures. The district itself is a microcosm of Western Pennsylvania architecture from 1827 to 1910.

Historic Saltsburg, Inc. could see the restoration of the historic district canal period structures near the canal site on Point and Washington Streets; the full development of the canal theme park within the borough; the restoration of Lock 8 at Chestnut Alley; the restoration of the canal basin beginning at Basin Street; the rewatering of the canal to Black Legs Creek; and the construction of a canal boat replica to be used for rides on the canal. The implementation of these goals would give Indiana County its first hsitorical park and Western Pennsylvania a glimpse into the past of a town which was built because of the canal. The development of this site would give the visitor a better overall understanding of early canal transportation.

Access to the Saltsburg site has been improved in Saltsburg through the construction by the Pennsylvania Department of Transportation of the new bridge across the Kiskiminetas River into Saltsburg.

There are two Corps of Engineer flood control dams within easy driving distance of Saltsburg which afford possibilities for boating and fishing.

Saltsburg is also near two excellent schools: Kiskiminetas Springs School in Saltsburg and Indiana University of Pennsylvania in Indiana, Pa.

Saltsburg has a fine local historical museum.

Historic Saltsburg, Inc. has a well-established Canal Day, an annual festival which features historical house tours and canal tours. The celebration takes place in the borough in the Saltsburg Canal Park. In 1986 the 6th annual Canal Day festival will be held. Previous Canal Day attendance has been upwards to 1500 and increasing every year.

Historic Saltsburg, Inc. urges the transit survey by the National Park Service of the Western Division National Register of Historic Places sections and offers its full assistance in locating, guiding and interpreting any of these sites on the Western Division and in Saltsburg.

FRIDAY, JANUARY 31, 1986.

CONVENTION AND VISITORS BUREAU OF BLAIR COUNTY

WITNESS

ROBERT HENSHAW, PRESIDENT

Mr. **MURTHA**. Robert Henshaw, President of the Convention and Visitors Bureau of Blair County.

Mr. **HENSHAW**. Thank you, Congressman. First off, I would like to tell you that our Chamber of Commerce also sent a letter to be entered as evidence.

Mr. **MURTHA**. We have no objection to it being entered in the record in its entirety, as your testimony.

Mr. **HENSHAW**. Thank you. I would like to commend yourself, Congressman Shuster and the park service for the study. I have been here since 9 o'clock this morning, as you have, and I have heard a lot of things. I guess maybe one point, in my mind as I sat there, you know, number one, I am probably one of the few non-paid directors or politicians in the room. I am the President of the Blair County Convention and Visitors Bureau. I am a volunteer. We support—and I say we, speaking for the Chamber and the Convention and Visitors Bureau—the concept of the park service survey.

I have heard a lot about cooperation and so on and so forth. I think Randy Cooley from the National Park Service has helped because he already has set up a meeting with Cambria County and Blair County. We met in early December to discuss this proposal. So I think Randy should be commended for trying to help coordinate the effort.

I guess there are a lot of things happening with the budget cuts. There are a lot of things happening in Blair County, not only the roads, that have really helped, I think, our whole area. Hopefully this survey that was done and if it is implemented will help get additional dollars for the road system.

But in Blair County, we have something else that is maybe a little bit unique and that is Boyertown. You know, at one time in Blair County, our theme and it still is, is a railroad theme that our Convention and Visitors Bureau uses. All of this can still be used.

We should also be piggybacking on Boyertown. Boyertown is going to be marketing Boyertown in a 300 mile radius. I am currently employed by Mellon Bank. I am in business development with Mellon Bank and I get into most of the counties that we talked about here today. I hear a lot. I hear a lot about: "Boy, we cannot wait until Boyertown opens. We are going to get the spinoff of the people coming from the north, from the south, from the east or from the west." It doesn't matter where I am at, they are all talking about the spinoff.

So I guess in these changing times, this is the time that we should be looking to do what we have to do to promote tourism which is going to generate a profit, hopefully, for everyone. It is going to create jobs. It is going to help the existing employers.

I guess to sum everything up, okay, the bottom line is to add jobs. It is not Blair County, not Cambria County, not the other counties that were mentioned, but to add jobs for our area, and to promote tourism.

I guess I can quote Anthony Forgione, because he said it enough:

> The people are not going to come to Boyertown and spend a week, they are going to spend two days or three days. Let us promote the rest of the area, not Blair County, not Cambria County, the area.

He is talking that way and if we can all coordinate our effort and do the same thing, it has to help the whole area.

I guess the last thing is, I have heard a lot of talk here today and I want to make it clear that we in Blair County stand ready to go. Thank you.

Mr. MURTHA. Bob, thank you for coming and nobody has been more involved and helpful than Bud Shuster in getting people in and out of this entire area. We know he endorses what we are trying to do and we hope we can focus the entire project.

You mentioned Gramm-Rudman, a number of witnesses have. I think the public is very concerned about getting the deficit down and that is certainly something that is going to happen. On the other hand, a project like this is money that really decreases the deficit by eliminating people from welfare. It creates jobs and you heard, in the study of Lowell, where for every Federal and state dollar and local dollar invested there was a $1 to $14 return.

Mr. HENSHAW. Yes, sir, I did.

Mr. MURTHA. So you return money plus the fact that you do not have money paid out for welfare and for unemployment when you are able to put people to work. We appreciate your cooperation and your coming over here and testifying. Thank you very much.

[The statement of Robert Henshaw follows:]

PUBLIC HEARING TESTIMONY IN REGARD TO RECONNAISSANCE SURVEY OF WESTERN PENNSYLVANIA ROADS AND SITES

To: House Appropriation Subcommittee for Interior and Related Agencies.

From: Robert J. Henshaw, President, Convention and Visitors Bureau of Blair County

Date: January 31, 1986.

The Convention and Visitors Bureau of Blair County supports the concept of tourism development as presented in the National Park Service Reconnaissance Survey of Western Pennsylvania Roads and Sites. Our Bureau, through its Board of Directors, has reviewed the four various alternatives proposed. At this particular time the Bureau has not decided on a particular alternative, but views the concept of a cooperative effort between Cambria County and Blair County as a direction which has distinct merit.

The study emphasizes the preservation of cultural resources which when accomplished will provide our Convention and Visitors Bureau with another attractive product to market. The Railroad Country image which has been our marketing theme line would be enhanced with the completion of the concept proposed.

The new highway system connecting the two designated counties, the inherent scenic beauty which can never be bought, only preserved, as well as the development of the new theme amusement park Boye-town U.S.A. and several motel and restaurant properties are now positioning tourism as a major economic development factor for Blair County.

As far as how this concept can be materialized, the basic feeling is that the cooperative willingness to work together must be achieved. We have already discussed the study with our counterparts in Cambria County. Various entities have been identified within the study, many of which are already cooperating for other economic development ventures as well as under the umbrella of tourism.

Our Bureau commends Congressman Murtha for his leadership position in addressing this potential for tourism development. The Bureau also applauds Congressman Shuster's support of this concept. We are also impressed with the depth and breadth of the National Park Service's evaluations in completing the study. Perhaps the National Park Service with its technical and professional expertise in this field of cultural preservation may be the umbrella organization to coordinate the multi-faceted activities described.

The Convention and Visitors Bureau of Blair County stands ready to assist in any way possible to facilitate the implementation of the concept proposed in the study. We believe in the value of tourism development and are motivated by this common interest to preserve the industrial heritage of the area identified in the study.

The Convention and Visitors Bureau of Blair County appreciates this opportunity to present our thoughts on the subject.

FRIDAY, JANUARY 31, 1986.

INDIANA COUNTY COMMISSIONERS

WITNESS

BEATRICE STATES, VICE CHAIRMAN

Mr. MURTHA. Our last witness for the day would be Bea States, the Chairman of the County Commissioners, Indiana County. Welcome Bea, we appreciate your coming over here.

Ms. STATES. Thank you, Jack. I am Vice Chairman.

Mr. MURTHA. Vice Chairman of the County Commissioners.

Ms. STATES. I do thank you for the very special opportunity today for adding a few words for Indiana County. It is a pleasure to be here and I always appreciate any meeting which you are chairing.

Mr. MURTHA. Thank you Bea.

Ms. STATES. There are two very well established impressions of Indiana County that I would like to stress, and the first is that Indiana County is the Christmas tree capital of the world. By that, we mean that there are more acres of cultivated land for raising Christmas trees than anywhere else.

Also that Indiana County is the home town of Jimmy Stewart. We do get many persons who come to Indiana County; particularly, they come into the courthouse, they are looking for the statue, they want to see Jimmy Stewart's statue and look over the places that he was familiar with when he was a boy in Indiana County.

However, the present Board of County Commissioners recognized that when we came into office with double digit unemployment, that the economy of our county should be our number one thrust.

Therefore, we developed an Economic Development Council, a partnership with private and public industry. From that has grown my extreme concern, my personal concern for emphasizing tourism in Indiana County, realizing the importance of tourism in the state and what we have to offer in the county.

Aside from these two things I have already mentioned, we are rich in our electric energy in Indiana County. A lot of that is thanks to your concern in looking after us when you were our Congressman that we could use our coal to develop the electric industry that we have. We are very proud and pleased with that. Currently, and you have also been a part of this project, we have been asked to develop something in cogeneration, which we are looking forward to a better future for our coal and our power. We hope that comes to fruition.

We also have one area of the county interested in hydroelectric power. You have already heard from Ann Palmer about the history of canals.

We are impressed with the canal history in Saltsburg, its designation as a National Historic Site and also the Pack Saddle area that was rich, as she also mentioned, near Blairsville. This, in concert with the areas we have for hunting, fishing, sports and so forth, we do need to know that we have much to offer.

However, the number one thing that we always come back to is transportation. We need roads. We cannot market what we have in Indiana County without sufficient transportation so we need very much to have Route 422 completed and the other highways that would benefit us. Thank you very much for the opportunity of speaking.

Mr. MURTHA. Bea, thank you for coming. Let me tell you about Jimmy Stewart. I know you called and asked me to have the President call Jimmy Stewart at a certain time when you were celebrating his 75th birthday.

Ms. STATES. He did.

Mr. MURTHA. And he did. So I thanked the President when I was at a meeting at the White House.

Ms. STATES. Good.

Mr. MURTHA. Ronald Reagan can imitate Jimmy Stewart better than Jimmy Stewart because when I thanked him for calling him at that particular time, he began to imitate him and he really is excellent in his imitation of Jimmy Stewart. I have not seen General Stewart to tell him that.

But I appreciate all the work you have done, Bea, not only in Indiana County, but with the Girl Scout Council for many years in helping so many young people in that very vital program and, of course, in your business also. So thank you very much for coming.

Let me, before I conclude, commend Neal Sigmon who is the Staff Director of the Interior Subcommittee and gives us such good advice, and express my appreciation for him coming up here and arranging this hearing. All this will be made part of the record and then we will move forward to evaluate what has been said here today and work with the National Park Service and the local and state governments to see what can be done in order to tie this whole thing together.

I saw something the other day that said: "Back to the future". I have forgotten whether it was a program on TV or something I saw in the newspapers. In a sense, that is what we are talking about here—going back and taking the history of this whole area. We are going to move forward to the future by looking back to our own history which has been so important to the development of the United States.

So, I thank all of you for coming and your participation in this—really the start of a program—which I think will be so important to all of western Pennsylvania. Thank you very much.

MONDAY, FEBRUARY 24, 1986.

FRANKLIN DELANO ROOSEVELT MEMORIAL COMMISSION

WITNESS

EUGENE J. KEOGH, CHAIRMAN

Mr. YATES. Mr. Reporter, show the hearing coming to order.

This is a hearing on the appropriation for the Franklin Delano Roosevelt Commission for fiscal year 1987. Appearing in support of that appropriation is its distinguished chairman, Mr. Eugene Keogh, who serves not only with distinction as the chairman of the Commission, but who immediately before that, had served his constituency ably and well in the House of Representatives.

Mr. Keogh, your statement may be made part of the record.

[The statement of Eugene J. Keogh follows:]

STATEMENT OF EUGENE J. KEOGH, CHAIRMAN OF THE FRANKLIN DELANO ROOSEVELT MEMORIAL COMMISSION, BEFORE THE SUBCOMMITTEE ON INTERIOR AND RELATED AGENCIES OF THE HOUSE COMMITTEE ON APPROPRIATIONS.

FEBRUARY 24, 1986

MR. CHAIRMAN:

My name is Eugene J. Keogh and I have offices at 521 Fifth Avenue, New York, New York.

I am grateful for the opportunity to appear before your distinguished Subcommittee in my capacity as Chairman of the Franklin Delano Roosevelt Memorial Commission. I again appear here to review with you the Commission's efforts to discharge its function of undertaking the preparation and completion of a reasonably adequate and suitable memorial to the late President Franklin Delano Roosevelt, and to seek from the Congress an appropriation of $21,000 for housekeeping funds for the FDR Memorial Commission.

I was amazed that the Office of Management and Budget did not see fit to request in its budget any funds for the Commission for FY 87. A very small reserve has been built up because of the extremely conservative manner in which the Commission operates, but this reserve is not at all adequate. Without an appropriation for FY 87 the Commission will barely be able to compensate its one-member staff. There will be no funds available for necessary operating expenses. The Commission operates very, very frugally, but certain expenses are absolutely essential to enable the Commission to supervise the progress being made toward completion of the memorial, to maintain its limited facilities (with a staff of only one person), to conduct its routine matters of correspondence and administrative work, and to keep the Congress informed of the hopes for the long-sought funds necessary for the completion of the memorial. The Commission expects to continue to operate in a very frugal manner, but we must have some money available to cover the expenses of the activities the Commission is expected to perform.

The National Park Service in its request and justification to OMB stated, "An appropriation in the amount of $21,000 is requested to continue the necessary administrative work of the Franklin Delano Roosevelt Memorial Commission for completion of this project as authorized by P. L. 97-224". This is as modest a request as I can imagine, and I urge your Committee to act favorably and appropriate $21,000 for the FDR Memorial Commission.

Through the years the Memorial Commission has faced many vicissitudes and obstacles in attaining its goal. However, substantial progress is now being made. As you are aware, in 1982, the Congress and the President approved the revised design for the memorial developed by Landscape Architect Lawrence Halprin of San Francisco, and authorized its construction. I am pleased to advise you now that with funds made available to the National Park Service by the Congress in 1983 the National Park Service, in behalf of and under the supervision of the FDR Memorial Commission, entered into a contract with Lawrence Halprin, designer of the memorial, to prepare the final plans and construction cost estimate for the memorial. The plans have been completed by Lawrence Halprin and provided to the National Park Service. Officials there are in the process of reviewing them for compliance with National Park Service standards for construction documents. The National Park Service advises me that this review will be completed in April 1986.

Currently Lawrence Halprin is preparing for the Commission an addendum to the Memorial Commission's report of 1978 to the Congress. This will reflect the reduced design and will be available for public distribution on April 1. The addendum and a schedule for completion of the memorial, with detailed cost estimates, will be presented to the Memorial Commission at that time.

Funds are still available for developing construction drawings for site preparation work and construction drawings for the quarrying of the granite. These contracts will not be negotiated by the National Park Service until such time as construction funds for the memorial are appropriated by the Congress.

The Commission is pleased with the progress outlined above, but is restless and deeply concerned over the lack of money for actual construction of the memorial. The plans are ready for implementation by the landscape architect, who stands ready to move ahead, and officials of the National Park Service are in a position to assist the Commission in processing the construction documents. In appearing before you in March of 1985 I made an earnest appeal for an appropriation which would permit construction of the memorial to begin. I indicated the Commission would be grateful to have an amount even as modest as $5 million, enough for some progress. As you know, that appropriation was not forthcoming. And now another year has passed. The Commission will not give up on seeking the money to build this memorial in memory of one of our greatest Presidents. His record of service will never be matched. Our country needs an appropriate memorial in this our Capitol city where the citizens of this nation and our visitors from around the world can feel the presence of Franklin Delano Roosevelt -- as an individual and as the creator of the many programs which led our country from a devastating depression to prosperity and which guided us through the largest war the world has ever known. He served until his death when victory was close at hand. This memorial is needed to bring up-to-date the history of this great nation. The Washington Monument, the Jefferson Memorial and the Lincoln Memorial tell our people the story of these great men and their deeds. The story of FDR needs to be told here in similar form -- to tell the history of our country from March 4, 1933, until April 12, 1945. I urgently urge action on the part of the Appropriations Committees and the Congress which will make the construction of this memorial possible without further delay. Years ago the Congress, in its wisdom, mandated the memorial to FDR be built.

To bring the Committee up-to-date on changes in the membership of the Commission since our last meeting I submit the following information. On May 9, 1985, the Speaker of the House of Representatives appointed Representatives Claude Pepper of Florida and James H. Scheuer of New York to replace former Represenative Geraldine Ferraro and Representative James Howard. On June 25 the President appointed the Honorable David McLean Walters of Florida to fill the vacancy caused by the death of James H. Rowe, Jr., and on July 31 the President appointed the Honorable Calvin M. Whitesell of Alabama to fill the vacancy caused by the death of Mrs. Anna Rosenberg Hoffman. The members of the Commission, who serve without compensation, are dedicated to our purpose.

The Commission is ever mindful of the cooperation it has received through the years. It has been the beneficiary of the views, suggestions and guidance of the members of the Appropriations subcommittees having jurisdiction over the Interior Department. This interest in our work has been greatly appreciated and we request you to continue your fine cooperation. I will not endeavor to name all those who have contributed to the progress made thus far by the Commission but I would like to mention Senator Mark O. Hatfield, whose interest through the years has been substantive and greatly beneficial. In the Executive Branch, officials of the Department of the Interior, especially the National Park Service, have been untiring in their work and cooperation, looking toward the goal of completing the memorial to FDR. We are confident the Commission will continue to receive this needed assistance, and we look forward to continuing our joint efforts.

Mr. Chairman, you and your Committee through the years have been supportive of our mission and with your cooperation substantial progress has been made. We are deeply grateful and look forward to your continued assistance. The request made by the National Park Service and here by me, representing the FDR Memorial Commission, for $21,000 will enable the Memorial Commission to continue its efforts. It is our hope that your Committee will give this small request your favorable consideration.

Thank you.

Mr. **Yates**. You are here asking for——

Mr. **Keogh**. I hope you observe my struggling over to the chair here.

Mr. **Yates**. I am sorry about that. What happened?

Mr. **Keogh**. What happened is a circulation matter. No problem at all. I have no trouble with you or anybody else, it just happened, that is all.

Mr. **Yates**. Tell us how much you want from us this year.

Mr. **Keogh**. Five million dollars.

Mr. **Yates**. That is all?

Mr. **Keogh**. That is all.

Mr. **Yates**. Is that after or before Gramm-Rudman?

Mr. **Keogh**. It doesn't make any difference. We will take Gramm-Rudman or whatever the name is. They won't affect us, we are not in it.

Mr. **Yates**. Your statement is part of the record. Let me ask a couple of questions—

Mr. **Keogh**. I would like, Mr. Chairman, if it meets with your approval, to submit to you this statement for insertion at this point in the record.

Mr. **Yates**. It already has been, Mr. Keogh.

Mr. **Keogh**. It has? Fine.

Mr. **Yates**. You want $21,000 for housekeeping expenses. Do you have any carryover funds?

[**Committee note**.—Although the president's budget contained no request, Mr. Keogh's opening statement requested $21,000.]

Mr. **Keogh**. Yes, we do. And OMB has seen fit to charge us with that. We have no objection to that.

Mr. **Yates**. OMB finally caught up?

Mr. **Keogh**. They haven't caught up. We were in touch with them a few years ago, and it was before they were clobbered with a lot of other things. They have been very good. I have no objections to them at all, except that they have now not budgeted us funding in any respect for 1987, 1988, 1989, 1990 and 1991, and they have the questionable courage——

Mr. **Yates**. I thought you were going to say "chutzpah".

Mr. **Keogh**. It is a form of—to say that they will not propose to continue our funding, any funding after 1987. They are in no position to know that this subcommittee is not only going to take care of us this year, but will take care of us for the next two or three years. We don't have to look to OMB for any charity.

However, Representative Pepper, who has recently become a member of the Memorial Commission by reason of the retirement of Mrs. Ferraro from the Memorial Commission in the first instance and Jim Howard in the second, we were fortunate to have the Speaker designate as two of the four House members of the Memorial Commission Representative Pepper and Representative Scheuer of New York, who is a very good man and who knows the background of this situation.

Mr. **Yates**. Is Mr. Green still a member representing the minority?

Mr. **Keogh**. Yes, he is. Yes, he is. There are four House members now: Representative Green of New York, Hamilton Fish, Representative Pepper and Jim Scheuer.

[COMMITTEE NOTE.—The members of the Memorial Commission from the Senate are Senators Mark Hatfield, Daniel Inouye, Carl Levin and Charles Mathias. Commission members representing the general public are Edmund Brown of California, David McLean Walters of Florida and Calvin Whitesell of Alabama.]

Mr. KEOGH. I would like to submit for the record this letter that Representative Pepper has addressed to you.

Mr. YATES. It may be received in the record.

[The letter follows:]

CLAUDE PEPPER
18TH DISTRICT, FLORIDA

CHAIRMAN
COMMITTEE ON RULES

SELECT COMMITTEE ON AGING
CHAIRMAN
SUBCOMMITTEE ON HEALTH
AND LONG-TERM CARE

Congress of the United States
House of Representatives
Washington, DC 20515

FRANCES H. CAMPBELL
ADMINISTRATIVE ASSISTANT
[illegible] RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
[illegible]

DISTRICT OFFICE
ROOM 504 FEDERAL BUILDING
MIAMI, FL 33130
[illegible]

MARIA [illegible]
LATIN REPRESENTATIVE

February 20, 1986

Dear Sid:

I am sorry that as a member of the Franklin D. Roosevelt Memorial Commission, I will not be able to be with you on the 24th of February at 1:00 p.m. when Gene Keogh makes a presentation for our Commission since I will have to be in my district that day. However, I want you to know that I strongly support the representations which will be made on behalf of the Commission by our Chairman, Gene Keogh.

Always sincerely,

Claude
Claude Pepper
Member of Congress

The Honorable Sidney R. Yates
Subcommittee on Interior
House Appropriations Committee
B-308 Rayburn House Office Building
Washington, D. C. 20515

bcc: The Honorable Eugene J. Keogh

Mr. Keogh. Thank you very much.

Mr. Yates. Do you have any carryover funds from last year?

Mr. Keogh. Yes, we do.

Mr. Yates. Would you like to take a seat at the table?

Mr. Keogh. Mrs. Martin is our staff person.

Mr. Yates. She is very able. You don't need anybody else?

Mr. Keogh. Exactly. In fact, she hardly needs a chairman.

Ms. Martin. That is not correct.

Mr. Yates. I am sure of that.

Ms. Martin. As of January 31, 1986, the FDR Memorial Commission has two accounts: $12,643 in one and $20,491 in another, making it $33,135, and then we have an account Interior designates as "X" Account, which has no expiration date, which we have tried to reserve for emergencies. That has $4,798 in it. Including the "X" account, a total of $37,933.

Mr. Yates. With those carryover funds in the bank, why then do you need this appropriation?

Ms. Martin. I have figured up——

Mr. Keogh. Excuse me. By this appropriation——

Mr. Yates. Proposed for fiscal year 1987. Well, it is not proposed. Why do you need an appropriation? I assume you are requesting the same amount as you received last year, which would be $20,000.

Ms. Martin. Twenty-one thousand dollars. I have outlined here expenses which I felt necessary.

Mr. Yates. Would you like to put that statement in the record?

Ms. Martin. Yes. It is only my compensation running through September 30, 1987, not using the "X" account and allowing for no expenses, no travel, not a piece of paper or anything else. We would be a minus $3,809.

Mr. Yates. Can you tell us, Mr. Keogh, what progress you are making toward completion of the memorial?

Mr. Keogh. We are not making much progress now. We have made considerable preliminary progress with respect to the preparation of the working drawings. I think we have the representatives of the National Park Service here with us, and they have been authorized under the resolution to cooperate with and to work with the Memorial Commission, and they have done an excellent job. They are here in the presence of John Parsons and—what is your first name?

Mr. Ronsisvalle. Joe.

Mr. Keogh. Joseph Ronsisvalle of the National Park Service.

Would you answer that question of the chairman, please?

Mr. Yates. What progress is being made? Will you identify yourself?

Mr. Parsons. John Parsons. The only progress is on the planning toward working drawings. There is no construction that has been undertaken. We have been working with Lawrence Halprin under the original authorization, and we are involved in preliminary working drawings. We are stopping at this point for lack of funds.

Mr. Yates. How much money do you need for that?

Mr. Parsons. Mr. Keogh asked for—the next stage will be $5 million.

Mr. Yates. Is that for working drawings?

Mr. PARSONS. No, getting toward working the quarry.

Mr. YATES. What do you mean?

Mr. PARSONS. Setting aside the stone.

Mr. YATES. What kind of a quarry? Is this marble?

Mr. PARSONS. It is granite.

Mr. YATES. Have there been any recent meetings of the Commission to discuss the memorial?

Mr. KEOGH. No. There has been no necessity.

Mr. YATES. What is the estimated cost of the memorial?

Mr. KEOGH. About $22 million or $23 million, isn't it?

Mr. YATES. Do you remember, Mr. Parsons?

Mr. PARSONS. Yes. The current estimated cost is $32 million, and the actual construction cost is about $26 million. The rest is contingency, overhead, design and things of that nature.

Mr. YATES. Does it include the five million you are requesting for working the quarry?

Mr. KEOGH. Yes.

Mr. PARSONS. I should make it clear for the record I am not requesting. You said how much do we need to get started.

Mr. YATES. Okay. I thought you were. You are just here for information, then, right?

Mr. PARSONS. Administrative support. That is all we provide.

Mr. KEOGH. Mr. Chairman, we have had so much support and so much encouragement, that it almost overcomes us. In fact, the only point where we apparently have not made very substantial progress has been with the Interior Subcommittee on Appropriations of the House of Representatives, not of the Senate. I don't know what that other body is doing.

Mr. YATES. I don't remember the Park Service ever requesting the funds, did it?

Mr. KEOGH. The Memorial Commission has been requesting it, requesting it yearly. Each time we have appeared, we have pleaded with you to relax your stringent hold on that purse string of yours and let us have this money so we can continue the actual work of preparing the memorial. Now, we no longer need to be faced with any of the personal reasons why some of the relatives of the late President want to have the memorial here, there or somewhere else. We have a site on the West Potomac Park that has been approved by everybody who has had any reason to look at it, and there has been no objection to location, there has been no objection to the form of the memorial that we have proposed, and all we need is your cooperation.

And it would seem to me that with your longstanding record as a famous supporter of artistic projects in the District of Columbia and elsewhere that we should have no difficulty at all starting on the construction. With this $5 million, we can begin actually a good part of the construction, can't we?

Mr. PARSONS. Yes.

Mr. YATES. Okay.

Mr. KEOGH. We come to a difficult spot in the road when we reach the Interior Subcommittee of the House of Representatives.

Mr. YATES. It is a very tough subcommittee.

Mr. KEOGH. It is, but we don't think it should be. We think that when you realize, Mr. Chairman, that the resolution creating the

Memorial Commission was introduced 40 years ago, when you realize that we had an international competition, the winner of which was accepted as being satisfactory and then was rejected for reasons that have never been clear to me, and then we engaged the service of Marcel Breuer, an outstanding architect, to come up with a design, and he did come up with a fine design that was not accepted. It was rejected by the Fine Arts Commission, I think, wasn't it?

Mr. **Keogh.** After we have satisfied everybody who has an interest, real or fancied, in the memorial, we have a site for it, we have a design for it, and we are ready to move, and it is up to you to help us.

Mr. **Yates.** All right, we will be glad to give you every consideration.

Mr. **Keogh.** And that is not enough, Mr. Chairman.

Mr. **Yates.** I know.

Mr. **Keogh.** That is not enough.

Mr. **Yates.** Mr. Keogh, we will look at it again, as we did last year. We are impressed by your very eloquent entreaty. We have a few more questions we want to ask you. We will ask them for the record, and we will ask you to supply the answers for them relating to operating costs——

Mr. **Keogh.** Mr. Chairman, let me try to make a point as forcefully as I can——

Mr. **Yates.** You already have.

Mr. **Keogh.** You mean you are going to put it in the bill?

Mr. **Yates.** You have already made your point as forcefully as you can.

Mr. **Keogh.** That is my understanding of how things are done. Really, it astounds me. It astounds me.

Mr. **Yates.** All right. Thank you very much.

Mr. **Keogh.** I do want to have the opportunity to close my remarks by paying my respects to all the official bodies who have had things to do with the memorial and with its location and with its design, and that particularly includes the fine chairman of the Commission of Fine Arts, who is here, and I hope that when he takes——

Mr. **Yates.** Why did he reject the prior design?

Mr. **Brown.** He wasn't on the Commission at the time, Mr. Chairman.

Mr. **Yates.** That must go back 40 years.

Mr. **Keogh.** I haven't the slightest idea why the design was rejected. I am a babe in the woods in that regard, but I can say to you, Mr. Chairman, that we now have a design that has received the approval of all those bodies, including the Fine Arts Commission. You did approve that, did you not, Mr. Chairman?

Mr. **Brown.** That is right.

Mr. **Keogh.** You have not changed that position?

Mr. **Brown.** That is correct.

Mr. **Keogh.** And you don't intend to change that position?

Mr. **Yates.** You had better get him sworn first.

Mr. **Keogh.** What we need first, Mr. Chairman, is your putting a little item in the Interior Subcommittee for the FDR Memorial, and if you do that, you will, in my opinion, be doing a service to the people of the country. Franklin Delano Roosevelt will have been dead 40 years on the 12th of next month—no, not next month, April, the 12th of April, and it is a tragedy to me to think that with all the talk about this and with all the volunteered suggestions as to where and how and why the memorial should be somewhere, we have not come to any further progress and stop constantly—annually stop at the Committee for Appropriations.

I am not sure that the subcommittee has the authority, but I am not going to argue with you.

Mr. YATES. Thank you. There is no plausible reason why this cannot move, and anyone who is impeding its movement is failing to make progress for the people of the country. Thank you.

Mr. KEOGH. All right. I hope I do not have to see you officially next year.

Mr. YATES. Well, as a matter of fact, I would like to see you officially next year.

Mr. KEOGH. Thank you. You can call me any time. I am always available. I answer the phone, which is not what all the present Members of the House of Representatives do.

Mr. YATES. That is true.

Mr. KEOGH. I always did.

Mr. YATES. Right.

Mr. KEOGH. I have to struggle out, and part of my struggling out is in a measure due to my recurring visits before this subcommittee. Thank you very much.

[Questions and answers for the record follow:]

QUESTIONS FOR THE RECORD

FDR MEMORIAL COMMISSION

Last year the Commission requested $21,000 for housekeeping expenses. This year the budget proposes that you work off of carryover funds. Your statement does not agree with the budget request and requests $21,000.

Q. Why does the budget assume you will have sufficient carryover funds with which to operate the Commission in FY 1987?

A. Perhaps that question should be addressed to OMB.

Q. What is the estimated annual cost of operation of the memorial by the National Park Service?

A. In 1985 the National Park Service estimated annual operating costs will exceed $1,131,781.

Q. In FY 1986 you felt that the first full year of operation would be FY 1988. No funds were requested by the Park Service for construction nor were they appropriated. If funds were appropriated in FY 1987 what would be the first full year of operation of the memorial?

A. 1990

Q. Each year that there is a delay in constructing the memorial there is an increase in the total cost of construction and operation. What is the percentage increase in the total cost each year that construction and operation are delayed?

A. We have consulted with the National Park Service and they inform us the construction costs have been increasing approximately 5% a year. Operational cost increases are based only on salary increases.

Q. Did the Commission make a request for operating funds in FY 1987 to the Office of Management and Budget?

A. Yes, through the Department of the Interior.

Q. If so, what amount of funding did the Commission request?

A. The budget requests for the FDR Memorial Commission to the Office of Management and Budget are handled by the National Park Service, Department of the Interior. On September 10, 1985, the Department of the Interior sent to the FDR Memorial Commission a copy of its request to OMB for $21,000 for the FDR Memorial Commission and the justification for the request.

Q. What was the rationale used by OMB for not granting operating funds in FY 1987?

A. Perhaps that question should be addressed to OMB.

Q. What is your feeling about the justification of that rationale?

A. Without knowing OMB's rationale, I can only say that the funds now on hand will not be sufficient to cover the expenses of the activities the Memorial Commission is expected to perform until September 30, 1987.

Q. Did the Commission appeal the Office of Management and Budget passback?

A. No.

Q. If not, why not?

A. The Memorial Commission was not notified by OMB or the Department of the Interior until February 1986, after the budget had been submitted to the Congress, that there would be no request for housekeeping funds for FY 1987.

On May 13, 1985 the Washington Post Editorial page published a letter from a reader who thought that the Washington Convention Center should be renamed in honor of Franklin Delano Roosevelt.

Q. Has this idea been proposed to the Commission?

A. No.

Q. What is the Commission's opinion of this idea?

A. The Commission has expressed no opinion as the idea has not been presented to it. As Chairman, I can express my opinion that the Congressional mandate to the Memorial Commission was to establish a memorial appropriate to Franklin Delano Roosevelt which would serve the purpose of making known to future generations the man himself and the history of our country during the years he served as President. Putting his name on a convention center would not serve this purpose.

MONDAY, FEBRUARY 24, 1986.

NATIONAL CAPITAL PLANNING COMMISSION

WITNESSES

GLEN T. URQUHART, CHAIRMAN

REGINALD W. GRIFFITH, EXECUTIVE DIRECTOR

MALCOLM L. TREVOR, SPECIAL ASSISTANT TO THE EXECUTIVE DIRECTOR

ROBERT E. GRESHAM, ASSISTANT EXECUTIVE DIRECTOR FOR OPERATIONS

EDWARD C. HROMANIK, DIRECTOR, PLANNING AND PROGRAMMING DIVISION

MARTIN J. RODY, DIRECTOR, PLANNING SERVICES DIVISION

ROBERT H. COSBY, DIRECTOR, REVIEW AND IMPLEMENTATION DIVISION

CAROL P. MULLIS, ADMINISTRATIVE OFFICER

Mr. YATES. Now we turn to the National Capital Planning Commission.

Mr. Urquhart, we are glad to see you again.

Mr. URQUHART. Nice to be back.

Mr. YATES. This is a hearing on the request for the budget funds for fiscal year 1987 for the National Capital Planning Commission. Appearing in support of that appropriation, Mr. Glen Urquhart, Chairman; Mr. Reginald Griffith, Executive Director; Mr. Malcolm Trevor and Mr. Robert Gresham.

There are four other witnesses backing them up.

Mr. Urquhart, your statement may be made part of the record.

[The statement of Mr. Urquhart follows:]

NATIONAL CAPITAL PLANNING COMMISSION

COMMISSION
MEMBERS

Appointed by the
President of the United States

Glen T. Urquhart
CHAIRMAN

Bruce Kirschenbaum
William E. Baumgartner

Appointed by the
Mayor of the District of Columbia
Robert J. Nash
Ann V. Todd

Secretary of Defense
Honorable Caspar W. Weinberger

Secretary of the Interior
Honorable Donald Paul Hodel

Administrator of General Services
Honorable Terence C. Golden

Chairman, Committee on
Governmental Affairs,
United States Senate
Honorable William V. Roth, Jr.

Chairman, Committee on the
District of Columbia,
U.S. House of Representatives
Honorable Ronald V. Dellums

Mayor, District of Columbia
Honorable Marion S. Barry, Jr.

Chairman, Council of the
District of Columbia
Honorable David A. Clarke

EXECUTIVE DIRECTOR
Reginald W. Griffith

STATEMENT OF GLEN T. URQUHART, CHAIRMAN
NATIONAL CAPITAL PLANNING COMMISSION
FISCAL YEAR 1987 APPROPRIATIONS ESTIMATE
SUBCOMMITTEE ON INTERIOR AND RELATED AGENCIES
U.S. HOUSE OF REPRESENTATIVES

February 24, 1986

Mr. Chairman and members of the Committee, I am very pleased to testify on behalf of the FY 1987 appropriations estimate, for the National Capital Planning Commission. The budget justification document reflects the Commission's best efforts to carry out its role under the National Capital Planning Act as the central planning agency for the Federal Government in the National Capital Region. We are confident that our package of programs for FY 1987 will continue to fairly represent and protect the Federal interest, as well as to promote cooperation between the Federal government and various jurisdictions of the Region.

The National Capital Region, as defined by the Act, is the District of Columbia, the two surrounding Maryland counties, the four surrounding Virginia counties, and all cities within the limits of such counties. The Region contains about 115,000 acres of Federal land, with some 170 million square feet of leased and owned floor space housing 408,000 Federal employees. Planning for the effective functioning of the Federal Government in terms of distribution of its employees, optimum accommodations and movement of goods and services, and the complementary meshing of the Federal interests with local goals are but a few of NCPC's responsibilities. The Commission is charged with preparing and adopting Federal elements and reviewing for Federal interests, District of Columbia elements of the Comprehensive Plan for the National Capital.

As part of its current comprehensive planning efforts, the Commission is preparing a general development plan for the Monumental Core Sector of the National Capital. The Commission already has developed and adopted eight Federal elements of the Comprehensive Plan and is working with the District of Columbia to jointly publish those with eleven District elements. We anticipate that the combined document will be available this summer.

We also review capital improvements program requests of all Federal agencies within the Region. This year's amount approaches

$1.4 billion. In addition, the Commission performs Federal interest reviews of the capital improvements programs of state and local agencies and governments. Numerous master and project plans and plan modifications for Federal installations were also reviewed along with plans for the development of parks, parkways, and other open space systems in the National Capital, as well as District of Columbia master plans and site and building plans.

The Commission also has in-lieu-of-zoning authority for Federal projects within the District of Columbia. An example of a project approved under this authority is the National Defense University Library Academic Center.

The Commission's FY 1987 budget request reflects the same level of personnel staffing as in FY 1986. Over the last ten years the Commission's staff has been steadily reduced from 64 fulltime permanent employees to 46. Given the variety of skills necessary on the staff to perform Commission business and recognizing that in certain technical specialities we are already down to one employee per discipline (environmental planning, historic preservation, etc.), we respectfully request no further cuts in staff levels.

We are requesting $2,684,000 for FY 1987, which is approximately $12,000 less than current appropriated levels for FY 1986. Insomuch as Gramm-Rudman-Hollings (GRH) reductions for FY 1986 are concerned, it is possible that some undertakings we had hoped to begin in FY 1986, might have to be deferred to FY 1987. Of course, at this time we don't know how any GRH reductions for the FY 1987 budget might affect our operation next year.

I, as well as my staff, look forward to answering any questions you may have regarding our estimates for FY 1987. We feel that all of the programs presented in this budget are vital to the effective pursuit of our Commission's goals and objectives and are consistent with our legislative mandate.

Sincerely,

Glen T. Urquhart
Chairman

BUDGET REQUEST

Mr. YATES. Mr. Urquhart, you are asking for a slight reduction from your—well, no, it is about $100,000 more than your revised 1986 level.

How badly will you be hurt by the 4.3 percent cut?

Mr. URQUHART. We think we can accommodate it, Mr. Chairman.

Mr. YATES. Do you? Good for you.

Mr. REGULA. I must compliment them, Mr. Chairman. They have come here with a modest request. It is refreshing.

Mr. YATES. I guess so.

You use the word "hope" on page 3—off the record.

[Discussion off the record.]

Mr. YATES. You are not going to have any personnel cuts as a result of it, and you are going to have gapping vacancies and recruiting at lower grade levels which will accommodate that cut.

Does this mean some positions will remain vacant?

Mr. URQUHART. Possibly. We also intend to fill some positions with personnel at a lower grade level.

Mr. YATES. All right. What about the cuts for 1987? You are not worried about those, either? You are not worried about the operation of Gramm-Rudman under——

Mr. TREVOR. I wouldn't say we are not worried about it.

Mr. YATES. You have hope again?

Mr. TREVOR. We have hope, right.

Mr. URQUHART. Would you like me to answer that in more detail?

Mr. YATES. Sure. I want to know whether or not the proposed cuts will cripple your agency or not. If they won't, that is one thing. If they will, tell us how.

Mr. URQUHART. I think it is accurate to say the cuts will not cripple us. We are, however, down to one person in a number of areas of special technical knowledge, so further personnel cuts would be quite difficult for us.

We have continued to operate and believe we can continue to operate by acquiring consulting on a professional fee basis and sometimes occasionally by succeeding in getting expertise from other Federal agencies; borrowing talent if you will.

In one of the studies we did this year, we were able to get a fair amount of expertise from people willing to come in and testify on a pro-bono basis, and provide the benefit of their experience.

We are getting a bit more creative about that, but there are naturally limits. We will have to limit some of the outside undertakings and studies. As an example, we felt it was important to develop some information and do some prediction with respect to the impact of office automation and rapid telecommunications changes in the Federal office place, what does this mean in terms of Federal space requirements, Federal office planning, and the ways Federal agencies and offices relate and communicate?

And we will not have the funds in 1987 that we would like to have had for outside expertise. Some of that we can acquire on a pro-bono basis, some of it we will have to do without.

I would not describe that as crippling. On the other hand, I can't fairly say it is unimportant.

JOINT EFFORT ON BARRIERS

Mr. **Griffith**. I might add one other point. We have been quite creative in the past, and will try to continue to be creative in meeting these needs. Another example, and Mr. Urquhart, I apologize because I did not have time to make a phone call to you this morning, we just found that something we have been working on for many months now is coming to pass. That is looking at the visual, the adverse visual impact that the Jersey barriers and other types of security arrangements have on our important Federal buildings, especially the architecturally significant ones.

We have just been successful in a negotiation with the National Endowment for the Arts for an Request for Proposal which we will be cosponsors on, that will allow some research work to be done in this area.

It is something we worked with the NEA on for months, and it is just now coming to fruition.

Mr. **Urquhart**. If I am correct, Mr. Griffith, it is something we couldn't fund with consultant expenditures of our own, but in conjunction with another agency, we believe we will be able to get it done.

APPROVAL AUTHORITY

Mr. **Regula**. I am interested in the scope of your agency. Do you have absolute authority over approval, such as the Hechinger project I read about in the Washington Post? There is a new shopping center he wants to build.

Can you veto that and make it stick?

Mr. **Urquhart**. Let me answer the question in general, and then ask Mr. Griffith to be more specific. In general, we have authority with respect to Federal property in the District of Columbia.

Mr. **Regula**. How about the surrounding areas?

Mr. **Urquhart**. The general answer to that would be approval, but not final authority.

Mr. **Griffith**. Yes. In that particular instance, the Commission will be involved at its next meeting in March to consider a street closing——

Mr. **Regula**. I saw that. It was part of the story.

Mr. **Griffith**. That is our only direct involvement, and that is a recommendation to the City Council of the District of Columbia. Other than that, normally in HUD Development, unless it has a Federal impact, that is unless it impacts Federal land or property, we have little to say.

Mr. **Regula**. Assuming it impacts Federal property, how far out do you reach?

Mr. **Griffith**. We reach, by virtue of advising throughout the National Capital Region.

Mr. **Regula**. Which is?

Mr. **Griffith**. In Virginia, Loudoun County, Prince William County, Arlington County and Fairfax County.

Mr. **Urquhart**. Prince Georges and Montgomery Counties in Maryland, and the District of Columbia.

Mr. **Regula**. I had a request from a staffer as to what you are doing in Prince Williams County.

Mr. Griffith. We are advising——

Mr. Urquhart. If it deals with Quantico, the Marine Base at Quantico——

Mr. Regula. If there was a project contemplated by a private developer that would have some impact on Quantico, you would have a veto power?

Mr. Urquhart. No, sir.

Mr. Griffith. No, but we would be aware of it, and act as a link between the local jurisdiction and the Federal agency involved.

Mr. Regula. Sort of like a regional planning commission back in Ohio.

Mr. Urquhart. Yes, sir. But with some greater authority with respect to Federal undertakings on Federal property.

Mr. Regula. Thank you, Mr. Chairman.

Mr. Yates. Does the General Accounting Office conduct financial audits of your operations?

Mr. Griffith. They have conducted one in the last three years.

Mr. Yates. Do you have private auditors? Generally—do you have an audit of your operation?

Mr. Griffith. We have internal audits of our operations ourselves.

Mr. Trevor. Our accounting is being done by the Federal Home Loan Bank Board as of last year. They handle all of our disbursements and they have an in-house accounting control mechanism.

Mr. Yates. Is this satisfactory with GAO?

Mr. Trevor. Yes, it is.

WORKLOAD OF THE COMMISSION

Mr. Yates. Has the workload of the Commission changed over the last few years, or is it about the same?

Mr. Griffith. It is still increasing in terms of project review. That is, proposals coming in from different agencies. It has remained about the same with respect to capital improvement programs of the Federal agencies, and, of course, comprehensive planning efforts continue to intensify.

Mr. Yates. With all of these matters to consider, how can you express hope that you will be able to get through it, then?

Mr. Griffith. Because, Mr. Chairman, we have a rather devoted staff.

Mr. Yates. Okay. I will accept that. And they are going to work harder, aren't they?

Mr. Urquhart. If I may add to that, I think we have become a little more efficient in our organization, in the way we utilize our staff and their expertise, and how we utilize the Commission's time.

Mr. Yates. Would the output be slowed down?

Mr. Griffith. Yes, sir.

Mr. Yates. How significantly?

Mr. Griffith. There are some Commission prerogatives which may have to be postponed at least six months to 12 months?

Mr. Yates. Such as what?

Mr. **Griffith**. For example, this year, the Commission had planned a continuation of a parking study. There is every expectation that it may have to be postponed.

Mr. **Urquhart**. Also, a joint printing effort with the District of Columbia.

Mr. **Yates**. Would you place in the record a statement of highlights of the Commission's activities during the last fiscal year?

Mr. **Urquhart**. Yes, sir, we would be happy to.

Mr. **Yates**. As well as the 10 projects you recommended in FY 1985 which should be considered by Federal agencies for future incorporation into the Comprehensive Plan? You will do that? Okay.

[The information follows:]

HIGHLIGHTS OF COMMISSION'S ACTIVITIES

The major highlights of planning activities initiated by the Commission in FY 1985 and FY 1986 to date include:

1. adoption of Visitors to the National Capital element of the Comprehensive Plan;
2. adoption of an amendment to the Federal Preservation and Historic Features element of the Comprehensive Plan adding a network of Special Streets and Places, represented in a mapped form;
3. completion of visitor circulation and parking studies of the central monumental area and initiation of the overall staff work on the Monumental Core Sector Plan;
4. preparation of a Real Property Manual to guide Foreign Missions in acquiring space and developing embassies and chanceries in the District of Columbia; and
5. adoption of the Federal Capital Improvements Program for the National Capital Region (FCIP) for FY 1986-1990.

The major highlights of the Commission's review activities during FY 1985 and FY 1986 to date include:

1. approval of the expansion of Fort McNair to incorporate the adjacent Tempo A and B sites and of plans for the National Defense University Library/Academic Center, after working closely with the Department of the Army in revising its plans to enhance and reinforce the historic McKim, Mead and White master plan for the historic post;
2. approval of the development program, siting and basic concepts for the height, mass, and size of the U.S. Holocaust Memorial Museum at Independence Avenue and 15th Street, NW.;
3. approval of preliminary plans for the Chancery of Qatar and final plans for the final phase of the Intelsat Headquarters Building at the International Center, Connecticut Avenue and Van Ness Street, NW., further implementing the development plans for this important Foreign Missions enclave, which has been planned and facilitated by the United States Government;
4. approval of development concepts for the restoration and adaptive use renovation of Union Station, which wll restore passenger train services to the Main Terminal building;

5. approval of numerous temporary and permanent projects at Washington-Dulles International Airport which are needed to accommodate the unprecedented growth in passenger levels, with special attention given to urging restraints and projects improvements to insure that the special design character and quality of the airport not be sacrificed in this rapid expansion;

6. approval of concept plans for Georgetown Waterfront Park;

7. approval of development concepts for an updated master plan for the Southeast Federal Center in the District of Columbia, providing for a more efficient use of existing buildings on the site than earlier plans had proposed;

8. approval of preliminary plans for a new Visitors and Parking Facility at Arlington National Cemetery.

Highlights of anticipated initiatives by the Commission for the remainder of FY 1986 are as follows:

1. completion of major portions of the in-house staff work on the Monumental Core Sector Plan;

2. publication of the Comprehensive Plan for the National Capital (jointly with the District of Columbia);

3. completion and Commission adoption of the FCIP for FY-1987-1991;

4. initiation of the updating of the Commission's 1981 projections of Federal employment in the National Capital Region; and

5. completion of staff work on the Special Street Plans for Constitution and Independence Avenues.

During the remainder of FY 1986, the following highlights in the Commission's review activities are anticipated:

1. continuing review of development plans for the Washington Monument Grounds (preliminary review now pending), with emphasis on resolving design and operational concerns to assure that potential conflicts between visitor needs and aesthetic and historic qualities of the site are fully addressed and resolved;

2. continuing review, as plans progress, of several major projects, including the U.S. Holocaust Memorial Museum, Union Station, and the Arlington National Cemetery Visitors Center and Parking Facility;

3. review of master plans for several major Federal installations and sites in the National Capital Region, including: Goddard Space Flight Center, Andrews Air Force Base, the National Arboretum, Fort Belvoir, and the U.S. Coast Guard Station - Alexandria; and

4. initiation of review of several new projects, including Phase II of the Olmsted Walk project at National Zoological Park, the general Post Office (Old Tariff Commission Building) for the Smithsonian Institution, and Phase II of the Headquarters Laboratory for the Food and Drug Administration at Beltsville, Maryland.

Highlights of anticipated initiatives by the Commission in FY 1987 include:

1. adoption of the Monumental Core Sector Plan;
2. considerable in-house staff progress on the preparation of the Beltsville Sector Plan; and
3. completion and Commission adoption of the FCIP for FY-1988-1992.

TEN PROPOSED PROJECTS

Based on projects proposed for funding in the FCIP for FY-1986-1990, highlights in the Commission's review activities in Fy 1987 are anticipated to include reviews of projects at the National Zoological Park, Naval Research Laboratory, Fort Belvoir, Walter Reed Army Medical Center, Washington Navy Yard, Naval Medical Command - National Capital Region (Bethesda Naval Hospital), Bolling Air Force Base, Andrews Air Force Base, Goddard Space Flight Center, and at numerous post office sites throughout the National Capital Region.

CONSULTING FEES

Mr. **Yates**. Now, you want consulting fees. How do you propose to use the $40,000 that you want in 1987?

Mr. **Griffith**. Well, the $20,000——

Mr. **Yates**. It doesn't go very far, does it?

Mr. **Griffith**. No, it doesn't.

Mr. **Yates**. Is that for one consulting job?

Mr. **Griffith**. No, it is for several.

Mr. **Yates**. How do you go about hiring consultants? Do you hire the same people year after year, how do you do it?

Mr. **Griffith**. It varies depending on the need. We have to advertise in the Commerce Daily. There seems to be no lack of consultants in this area. We have worked very closely with some people, such as EDAW, Inc., for example, on the special streets plan for Constitution and Independence Avenue, we have worked with J.H. Taylor, in the past we have worked with Voorhees, and others.

For the most part, these consultants are broad-ranged, from very large to small ones. It varies.

Mr. **Yates**. I think I am going to put the other questions into the record, except I want to know what the status of the development of Union Station is.

Haye you had discussions on Union Station with the National Park Service or with——

Mr. **Griffith**. Yes, we have had ongoing discussions with the Union Station Redevelopment Corporation, the National Park Service, and the District of Columbia.

Coming up on our March 6th agenda for the Commission will be a submission by the Union Station Redevelopment Corporation that will include two aspects, both the historical renovation of the building, those portions that need renovation, and also the commercial adaptation of the building.

Mr. **Yates**. What is the status of the Techworld project?

Mr. **Griffith**. The Techworld project is currently in a lawsuit.

Mr. **Yates**. You are waiting for the disposition of the lawsuit?

Mr. **Griffith**. We are part of it. We are one of the parties that has been sued.

Mr. **Yates**. So, you are waiting for a disposition of the lawsuit?

Mr. **Urquhart**. Yes, sir. It has just begun.

Mr. **Yates**. Why were you sued as a party?

Mr. **Griffith**. There was an allegation by the persons bringing the suit that the Commission acted improperly in action to close 8th Street without going through the 106 process.

Mr. **Yates**. Is that environmental?

Mr. **Urquhart**. Environmental impact, yes.

Mr. **Yates**. Who represents you in the lawsuit?

Mr. **Urquhart**. The Department of Justice.

Mr. **Yates**. Mr. Regula?

Mr. **Regula**. I will put my questions in the record.

Mr. **Yates**. Yes, I will put questions in the record, too.

Thank you very much.

Mr. **Urquhart**. Thank you, Mr. Chairman.

[The questions and answers for the record follow:]

Questions for the Record

Question:

The FY 1987 request is 12,000 less than the FY 1986 enacted level. The Commission claims that one way they will be able to operate at a reduced funding level is "by savings in rent generated by voluntarily reducing some of our office space."

Answer:

Consistent with the President's initiative to reduce square footage office space per Federal employee, we reviewed our needs and volunteered to release 1,340 square feet. The by-product of this effort will produce a savings of approximately $27,000 in FY 1987.

Question:

What is the status of the preparation of a general development plan for the central monumental area of the National Capital?

Answer:

Studies have been undertaken and completed of visitor circulation and parking including extensive field surveys of parking use and turnover. Fact gathering and detailed studies of planning issues are ongoing in conjunction with the key continuing in the development of several major project facilities at Arlington Cemetery, visitor service facilities at the Washigton Monument, expansion proposals at the Pentagon, and the Holocaust Museum.

Question:

When is completion anticipated?

Answer:

It is anticipated that the Commission will have completed its work on the plan before the end of FY 1987, possibly in June 1987.

Question:

How much did the Commission utilize in FY 1986 for consulting funds for this project?

Answer:

No consultant funds have been spent as yet in FY 1986 on this project. It is anticipated that approximately $20,000 in FY 1986 consultant funds will be required to complete the necessary studies.

Question:

How much staff time is spent modifying and updating elements of the Comprehensive Plan?

Answer:

In FY 1985 approximately 12 person weeks were spent on preparing and obtaining approval of modifications to the Comprehensive Plan elements. It is anticipated that in FY 1986 12 to 16 person weeks will be required. The time required will increase in FY 1986 and in following years as the five year cycle for updating individual elements is reached.

Question:

What special studies will the Commission conduct in FY 1987?

Answer:

Special studies are generally conducted in response to significant planning or urban design issues arising from submissions to the Commission or from private development proposals that have potential impacts on the Federal establishment. Since such studies are in response to issues as they arise, it is not possible to anticipate exactly what studies will be needed in FY 1987. In recent years the staff has prepared special studies concerning major building height issues, including tall building proposals in Rosslyn and at the PortAmerica site in Prince George's County, Maryland; suitable controls for antennas on Federal buildings in the National Capital Region; signs on public buildings in the District of Columbia; and the impacts of specific building proposals on important L'Enfant Plan vistas. The types of special studies that the staff is likely to be required to perform in FY 1987 will probably be of the same nature as these past studies. Generally these studies are conducted by the staff in a short time frame to provide input and recommendations for the Commission's reviews of scheduled agenda items.

Question:

The Commission prepares data analyses on annual Federal employment changes. The Commission produced two publications in FY 1985 reflecting these changes. What did these publications conclude?

Answer:

The first publication "Federal Employment in the National Capital Region, By Political Jurisdiction, 1969-1982" showed the following:

1. Federal civilian employment in the NCR showed a steady increase from 1969 until 1981.

2. Military Personnel in the NCR showed a steady decline from 1976 until 1981.

3. The largest decrease in the Federal civilian employment were in the Executive Branch of Government. (1981 & 1982).

4. The report also showed that 61.1% of the Federal civilian workforce works in the District of Columbia, 20.3% in the Virginia suburbs and 18.6% in the Maryland suburbs.

5. 61.3% of the military personnel work in the Virginia suburbs, with 21.4% in the District of Columbia and 17.2% in the Maryland suburbs.

The second publication "Changes of Federal Employment in the National Capital Region, Sept. 30, 1982 to Sept. 30, 1983" showed that total Federal civilian employment and military personnel working in the National Capital region increased from 401,273 persons on September 30, 1982 to 407,571 persons on September 30, 1983--a gain of 6,298 persons or 6.1 percent.

Question:

What is the status of the most recent analyses?

Answer:

The next series of reports are being prepared. The report on "Federal Employment in the National Capital Region By Political Jurisdiction" will cover the years 1983 - 1984. The report on "Changes of Federal Employment in the National Capital Region" will cover the period Sept. 30, 1984, to Sept. 30, 1985.

Question:

How do the trends revealed in these reports differ from the previous publications?

Answer:

The report "Federal Employment in the National Capital Region, By Political Jurisdiction, 1969-1982" was first published in FY 1985. Data is still being collected for the next report. Therefore a comparison of trends can not be made at this time.

The report "Changes of Federal Employment in the National Capital Region, Sept. 30, 1982 to Sept. 30, 1983, showed an increase of 6,298 persons which was the largest annual gain of total Federal employees working in the Region within the past fifteen years. These were substantially less than the large annual increase recorded during the years between 1964 and 1968. However, the 1982-1983 annual gain was also the first time since 1980 that the Region showed an increase of total Federal employment.

Question:

The justification on page 19 states that: "it is anticipated that the Historic Preservation Officer will undertake several duties relating to exhibits and liaison with the Smithsonian Insititution." Discuss what this invlovement is anticipated to entail?

Answer:

The Historic Presevation Officer is the Commission's representative on an interagency committee planning for the late 1986 relocation of "The Federal City: Plans and Realities" exhibit which has been on display in the Great Hall of the Smithsonian Castle building since 1976. This exhibit, a Bicentennial project jointly sponsored by the Smithsonian Institution, the Commission of Fine Arts and this Commission, has been highly successful at comunicating the history of planning for Washington, and there is substantial interest in keeping it open at a new locaton, since the Smithsonian needs the Great Hall space for another purpose. In addition to the three original sponsors, other agencies participating in the relocation committee are the Architect of the Capitol, the Pennsylvania Avenue Development Corporation, and the General Services Administration. The committee is charged with finding an appropriate new location for the exhibit, determining what pieces should be moved, and arranging for the transfer and the installation in the new location.

Queston:

In the description of the duties of the Historic Preservation Officer in 1987, the justification states that she will undertake a number of special writing assignments. What are these writing assignments envisioned to be?

Answer:

As of this date, the Historic Preservation Officer has been asked to undertake two specific writing assignments in FY '87. The first of these is to prepare detailed descriptions of four models originally in the Federal City exhibit discussed above, which are to become a permanent part of the lobby display at the NCPC offices. These four perspective models show the central monumental area of Washington as it would be developed had the following been carried out: 1) the 1791 Plan of Pierre Charles L'Enfant; 2) Andrew Jackson Downing's 1851 Plan: the Senate Park Commission Plan of 1901; and 4) Current Plans of 1976.

The second task is to research those circles, squares, major reservations and streets which are recognized as the general work of Pierre L'Enfant and which were laid out by the Office of the Surveyor of the District of Columbia according to the Kings Plats of the City of Washington in 1803; after determining which of these L'Enfant Plan elements are still in existence, the Historic Preservation Officer will write a draft paper recommending which of those elements not now recognized should be considered for historic designation and developing criteria by which proposed future changes to those elements should be evaluated.

Question:

The justification on page 20 states that the zoning officer will work with all local jurisdictions to improve the existing early warning system for zoning proposals.

Answer:

The existing "early warning system" for zoning proposals rests primarily on the cooperative efforts of local jurisdiction staff to provide information to the NCPC staff on zoning cases which may have an impact on Federal facilities or interests in the National Capital Region. It is an adjunct to the staff's normal monitoring of such cases through newspaper articles, public notices and local planning commissions and legislative body agendas.

The need and reason for an "early warning system" was described in a letter, (dated May 18, 1983), sent to each jurisdiction containing major Federal facilities, other than the District of Columbia where such a system then and now exists. The following two paragraphs, contained in each of the twelve letters sent, explains the reason for and how the system was proposed to work.

> "Our experience also indicates that the legal notices of proposed rezonings and/or applications for site plan approvals do not always allow adequate time to review the proposal, consult with the potentially affected Federal agency or agencies, schedule the matter for consideration...(by the Commission) and forward consolidated Federal comments to the responsible local body or official in a timely manner."
>
> "We, therefore, request that a member of your planning and/or zoning staff be designated as the liaison person to work with Mr. Richard Westbrook, the Commission's Zoning Review Officer, to alert him at their earliest possible time about upcoming rezoning or site plans submissions that might impact areas adjacent to or in the vicinity of Federal land in your jurisdiction. Such an "early warning system" will permit the Commission to make comments in a more timely manner for consideration by the local decision-making body."

When the system works, the Commission generally has had adequate time to review and comment on these Federal facility impact zoning cases. However, not all of the twelve jurisdictions are providing this early notice and some are inconsistent in providing it. Thus, continued efforts through additional personal staff contacts in those jurisdictions where needed will be undertaken to maintain and improve the system currently and in FY 1987.

Question:

In the description of the Zoning Officer's tasks for FY 1987 it states that he will assist in the selection of various Federal installations needing updated air photographs. Who is responsible for these photos, the agency or the Commission? Does the Commission contract with the Geological Survey for such photographs? If so, who bears the cost, the Commission or the agency?

Answer:

The Commission is responsible for these photographs.

The photos are used primarily to determine the existing situation in specific areas to assist in the Federal interest review of the impact which zoning and subsequent development will have on those areas. The need for such photos is infrequent, having arisen an average of only several times per year in the past. However, the photos have been essential on those few occasions.

The Commission does not contract with U.S. Geological Survey for such photographs. The U.S.G.S. aierial photo requirement is confined mainly to higher altitude material for periodic revisions to their various map series. Such photography is done for U.S.G.S. on contract. It would very rarely be suitable for our purposes, since the scale is usually too small and it is usually not completely up to date.

The Commission bears the cost of the photos. The photos are usually obtained from a local vender who has recently flown them at the expense of a state, county or local jurisdiction within the National Capital Region. Very rarely does the Commission contract for a flight. The cost incurred to the Commission rarely exceeds $1,000 per year.

Question:

The justification on page 23 states that in FY 1986 a manual describing Foreign Missions property acquisition procedures will be published. Who initiated this project?

Answer:

The Manual was initiated by the Commission in cooperation with the Department of State and the District of Columbia government as a continuation of its work on the Foreign Missions and International Organizations element of the Comprehensive Plan. The Manual serves as a step by step guide for chancery projects in the District of Columbia and is based on Federal and District laws and regulations and especially the Foreign Missions Act.

Question:

Who will the publication be circulated to?

Answer:

The Manual will be circulated to Foreign Missions, International Organizations, Federal agencies, the various bureaus, divisions and units in the District of Columbia government and in the Department of State concerned with the location and development of Foreign Missions, as well as community groups and interested citizens.

Question:

How much did the Commission spend in FY 1986 to prepare this document?

Answer:

Little if any funds have been spent thus far. During the remainder of FY 1986 we anticipate spending approximately $3,500 to $4,000 for the printing of 1,000 copies of the Manuel.

Question:

In FY 1987 it is anticipated that a second phase of the Special Street Study Report will be prepared. What amount of staff time and additional resources will be required for this project? Is it anticipated that this project will be published in FY 1987? If so, are there sufficient funds for printing this document in the FY 1987 request?

Answer:

Completion of the report on the Special Street Plans for Constitution and Independence Avenues is scheduled by the Planning Services Division during FY 1986, with publication of the report by the Cartographic Division scheduled for FY 1987. Approximately six weeks staff time of the Urban Design Officer, two weeks staff time of the Historic Preservation Officer, and one week staff time of the Director of the Planning Services Division are needed to complete the report and forward it for consideration by the Commission. Because each of these staff members have several other assignments, many dealing with agenda items that must be addressed in a prescribed time, work on the report is being done on a time available basis. However, completion of the staff work necessary to forward the report to the Commission should be possible by the end of FY 1986 as scheduled.

If the Commission approves the report for publication, it is anticipated that it will be published in FY 1987. The requested funds in the FY 1987 Budget should be sufficient for the printing of the report. Because the requested funding levels would only allow for a document of austere quality, the staff of the Commission will provide as much time in the layout of the report as can reasonably be made available to achieve a higher quality document with lower outside printing and publication costs.

Question:

In the description of the tasks of the Public Affairs Division, the justification on page 25 states that liaison is provided to Congressional Offices on non-budgetary and non-legislative matters.

Answer:

The non-budgetary and non-legislative matters addressed in this task concern the long-range planning, capital programming, and review activities - essentially the principal operational activities - of the Commission. The staff receives frequent inquiries from various Congressional Committees and Offices concerning items being considered by the Commission. Often such

Often such inquiries concern current review activities that have become the subject of media attention, and on some occasions as many as two to three dozen Congressional inquiries or communications have been received on a single issue. The Public Affairs Officer is responsible to such inquiries and, where appropriate, continuing liaison with the interested Congressional Offices until matters of interest to them have been resolved.

Question:

The justification states that efforts of the Commission will be directed towards improving coordination with the news media to achieve a more balanced coverage of Commission activities. How has media coverage been "unbalanced" in the past?

Answer:

The news media typically focus on those matters which have become the subject of public controversy. Such focus sometimes results in important and informative reports on some activities of the Commission, but it has in many cases resulted in no reporting or only minimal reporting of matters being considered by the Commission which, while not highly controversial, may have significant long-term planning implications for the Nation's Capital. For example, an alley closing or small development project being reviewed by the Commission may, because of the opposition or concern of an affected neighborhood, generate considerable media coverage. On the other hand, Commission adoption of major Federal elements of the Comprehensive Plan or of major reports or studies often generates little media attention because of the lack of public controversy surrounding the items. The Commission realizes that the tendency of the media to focus on controversy as opposed to "informative" or "good news" items is entrenched. It believes, however, that the Public Affairs Officer should continue work with the media to try to focus more attention on the longer-range and broader planning issues that may have greater long-term impacts on the character of the National Capital than some controversial current issues.

Question:

Printing and reproduction costs have decreased dramatically from a FY 1985 level of $118,000.00 to the FY 1986 and FY 1987 level of $30.000. What accounts for the dramatic reduction in this area?

Answer:

During FY 1985 $90,000.00 was obligated for publishing the eight Federal elements of the combined Comprehensive Plan for the National Capital under a single contract. The cost of routine printing in conjunction with regular Commission activities was $19,000.00. An additional $9,000.00 was spent for graphic reproduction, which included photographic, microfilm, map/drawing reproduction and composition duplication requirements. Therefore, the cost of normal printing and reproduction for FY 1985 was $28,000.00. Together with the cost of the Comprehensive Plan the total was $118,000.00.

There are no special projects comparable in magnitude to the combined Comprehensive Plan scheduled for 1986 or for FY 1987. Therefore it is estimated that printing and reproduction costs will not exceed $30,000.00 during either of those Fiscal Years.

Question:

How many publications does the Commission produce annually?

Answer:

An average total of nine publications are produced annually.

Of the nine, the Commission routinely produces six publications each year. The four editions of the "Quarterly Review of Commission Proceedings" provide an ongoing account of the Commission's activities. In conjunction with the Federal Capital Improvements Program, a 100 page document and a folded single page "Summary" brochure are printed annually.

In addition to routine printing an average of three additional publications are produced annually. These include such documents as Special Street Studies, Federal Employment Changes and special project or area plans.

Question:

The Commission produces an update to the Federal Capital Improvements Program publication every year. Does the FY 1987 request include sufficient resources for the printing of this document as well as the other documents specified in your justification?

Answer:

Yes. During Fiscal Year 1985 the cost of producing the updated Federal Capital Improvements Program Book and Summary brochure did not exceed $4000. Since no additional work is anticipated in producing the 1987 update, it is estimated that the cost will not exceed $5000 considering normal inflationary increases.

The average cost for printing the Quarterly Review of Commission proceedings during FY 1985 was $2,200. This cost has been substantially reduced by reformatting the Quarterly Review and by an alternative composition procedure. It is estimated that with inflationary increases the average cost in FY 1987 will be $2,000 or $8,000 for the entire Fiscal year.

The total cost for routine printing in FY 1987 is not expected to exceed $13,000. Approximately $7,000 will be needed for special publications in conjunction with the Comprehensive Plan and other activities. These costs together with an estimated $10,000 required for graphic reproduction amount to a total of $30,000, which is the amount requested for printing and reproduction for 1987.

Question:

What proposals have the Commission considered for the development of the Washington Navy Yard Annex?

Answer:

Since the approval of the Master Plan for the Washington Navy Yard Annex (Southeast Federal Center) in 1978, the Commission has reviewed and approved the following proposals:

1. Oil Storage Facility for the Navy Yard/Federal Center Power Plant (9-7-78)
2. Overhead Steam Distribution System Replacement for the existing underground steam tunnel system (9-13-79)
3. Six-Story addition to Building 213 (6-3-82)
4. One-Story Cafeteria addition to Building 213 (1-10-85)

On May 30, 1985, the Commission approved certain development concepts for the revised Master Plan for the Southeast Federal Center and established a maximum employment level of 20,000 employees with possible expansion to 30,000 if environmental, transportation and other factors permit. At that time the Commission also approved a new road entrance and interim improvements at the Southeast Federal Center. No further proposals have been submitted to the Commission for approval by GSA.

The Spring Quarterly states that the Commission approved the transfer of jurisdiction of land in the Georgetown waterfront from the District of Columbia to the National Park Service. What are the proposed design plans for this parcel?

Answer:

The proposed design concept plan for the approximate 19 acre Georgetown Waterfront Park (GWP) provides for an overall park character that would be passive in nature and contain no active recreational facilities other than enhancing existing boating activities throughout the waterfront area. The park would be landscaped similar to Constitution Gardens and other floodplain parks. Promenades, plaza, walkways, open lawn spaces, benches, lighting, sculptures, fountains and small multi-use pavillions would be the extent of the park development.

A shoreline promenade would be created for the entire length of the waterfront park. Bicycle and pedestrian use would be separated by landscape architectural treatment, such as paving patterns and street furniture. The promenade's surface treatment would consist of paving, boardwalk, and gravel. The entire shoreline would feature a variety of treatments to achieve interest along the water's edge. This would consist of steps, esplanades, walls, docks, and/or natural vegetated slopes. A substantial portion of the existing bulkheading would be retained and improved.

The park would be designed to maintain and respect existing views of the river. Shade trees would be planted to screen the Whitehurst Freeway. Other features proposed include a new limited docking area west of the Washington Harbor Associates development in the vicinity of 31st Street for all types of boaters to visit the park, provisions for maintenance area west of Key Bridge and on the north side of K Street, the future transfer of the GSA Coal and Ash House site and development of the site as part of the park, retention and improvement of the Thompson's Boat Center, reducing by onehalf, and relocating Thompson's Boat Center parking to create more usable park area and development of the terminus for Virginia Avenue, possible retention of the railroad line through the park, rehabilitation of the tidelock at the confluence of Rock Creek and the Potomac River (the historic terminus of the C & O Canal), and possible restoration of the historic lift dam. The plan also provides for a floating restaurant and provisions for approximately 30 surface parking spaces within the park near Water Street and use of Water Street for surface parking for approximately 100 vehicles.

The new floating restaurant addition would be located between 34th Street and Key Bridge. The restaurant would be a one-story building approximately 200 feet long by 50 feet wide. The building would be constructed on a stationary barge and have approximately 225 seats. It would be served by the proposed adjacent 120 space parking area. Pedestrian access to the restaurant would be through the park.

The park will be developed in phases. Phase I involves the area between Wisconsin Avenue and 31st Street and has been approved in final form by the Commission. Development of this phase will be accomplished with one million dollars provided by Washington Harborer Associates.

Question:

The Commission endorsed an amendment to the Criteria and Guidelines for Memorials on Federal Lands in the National Capital Region. Discuss the details of this amendment and how they will affect the construction of future memorials?

Answer:

The amendment to the guidelines was promulgated by the National Capital Memorial Advisory Committee, an interagency (Federal) committee established by the Secretary of Interior to advise him on criteria, guidelines, and policies for memorializing persons and events on Federal lands in the National Capital Region. The amendment provides that military memorials should be limited to specific wars or to major branches of the Armed Forces, such as the U.S. Army, U.S. Navy, U.S. Air Force, U.S. Marine Corps, U.S. Coast Guard, and the Merchant Marines. These provisions are intended to curtail the proliferation of military memorials for smaller size units of the Armed Forces, such as division level units, in the Nation's Capital. The Committee is recommending that sponsors of memorials for individual units consider locating them at the home bases of those units. The objective of the change is to ensure that the limited number of suitable memorial sites, particularly in the Monumental Core area, not be depleted so that sites continue to be available for the memorialization of persons and events of outstanding national or international significance.

The amendment was published in the Federal Register by the National Park Service on behalf of the Memorial Advisory Committee. According to the Park Service staff, no public comments were received on the amendment. The only comments received were from some of the agencies represented on the Committee, and they were generally favorable.

Question:

What invlovement has the Commission had with the development of the Portal Site at the 14th Street Bridge?

Answer:

Pursuant to the District of Columbia Redevelopment Act of 1945, as amended, the Commission was responsible for the adoption of the urban renewal plan for the Southwest Urban Renewal area which includes the Portal site. The urban renewal plan established the commercial/office land use and general development controls for the site.

Implementation of the plan rests with the D.C. Redevelopment Land Agency (Department of Housing and Community Development), and the Commission has had no further formal or statutory role in the development. The staff has, however, coordinated with the staff of the Department of Housing and Community Development concerning the relationship of the project to adjacent Federal lands and the vista through the site along the old right-of-way of Maryland Avenue, which is now occupied by railroad tracks.

If the ultimate development plan for the Portal site includes any proposed improvements on the Federal land along the north boundary of the site the Commission will have a review and, depending upon the nature of the improvements, possibly approval responsibility over those improvements on the Federal land.

Question:

What invlovement has the Commission had with the PortAmerica development?

Answer:

The Commission has been involved in a number of ways with the proposed development in the Smoot Bay Area (now called "PortAmerica") of Prince George's County along the Potomac River. It did review and comment on the proposed rezoning from R-R (Rural Residential) to M-X-T (Mixed Use Transportation Oriented) of the proposed Smoot Bay Waterfront Center or Bay of America's, as it was then called by the initial developer James Burch. In its comments to the Prince George's County Council, the Commission stated that it believes that the proposed rezoning - which has no height limits and could permit floor-area-ratios up to 8.0 - could lead to private development on the shoreline of Smoot Bay that would significantly affect adjacent Federal lands and other Federal interests and might lead to potentially adverse impact..."It therefore recommended that the Council condition any favorably rezoning it might take by establishing certain basic planning and development policies to insure development that is sensitive to the special character of this area. The Commission recommended a number of specific conditions that if adopted would protect Federal interests in this area. The M-X-T rezoning was subsequently approved by the County Council largely without the conditions suggested by the Commission.

The second area of involvement had to do with the proposed transfer of about 55 acres of Federal park land under the jurisdiction of the National Park Service on the north shore of Smoot Bay to the Maryland National Capital Park and Planning Commission (MNCP&PC) for waterfront park and recreation uses. This legislation was sought by MNCP&PC and the County and was introduced by Congressman Marjorie S. Holt (Md) and Senator Charles McMathias, Jr. (Md). No hearings were held or any action taken by the Congress in the last session.

In December of 1984, the Commission was approached by Mr. James T. Lewis, the new developer of the M-X-T zoned land. He wanted to reach some kind of agreement with the Commission to gain its support of the proposed legislation to transfer the 55 acres of Federal park land. After several months of negotiations, the Commission and JTL Enterprises, Ltd. did enter into a Memorandum of Understanding (MOU), dated May 7, 1985. The MOU includes restrictions on the development of the privately owned Smoot Bay waterfront. It does not apply to the land also owned by the developer along I-95 to the east of the waterfront property.

Subsequently, H.R. 3003 was passed by the Congress and signed into law as P.L. 99-215 authorizing the Secretary of Interior to transfer the 55 acres under certain conditions.

The Act refers to the MOU, requires its approval by the P.G. Council and requires the owner of the adjacent private property to comply with the terms and conditions contained therein and to convey an easement to the Commission incorporating the restrictions in the memorandum. It also provides for Commission review and comment on MNCP&PC's land use development plan for the adjacent private property. In addition, it provides for an NCPC determination of compliance by the owner of the adjacent property with the restrictions on development in the MOU.

The Commission is currently involved in a Federal interest review of step one of the developer's proposed site plan for PortAmerica. JTL Enterprises, Ltd. has recently submitted its proposed concept plan for the M-X-T land. The Prince George's County Planning Board has scheduled a public hearing on the plan on May 1, 1986. The Commission is scheduled to review the plan on April 3rd and submit its comments to the Prince George's County Planning Board and County Council.

The concept plan contains a proposal up the hill along the Beltway that is causing serious concern to the Commission. A 52-story office tower, part of the PortAmerica development, has been proposed on this hillside site, which is not covered by the Memorandum of Understanding. Such a tower, which introduces an entirely new scale of height in the National Capital setting, would have a dramatic impact on the skyline of the Monumental Core, damaging the visual and symbolic qualities of the U.S. Capitol and the Washington Monument. Although located at some distance from the Monumental Core, the new tower, with its peak at an elevation over 200 feet higher than the Washington Monument and with a form suggestive of but significantly larger than the Monument, would in many views permanently relegate the symbols of our Nation in the heart of its Capital to a second-class level of dominance on the regional skyline.

This tower would also have adverse impacts on Federal interests related to its more immediate setting. It would virtually overwhelm the scale of the hillside along the east bank of the Potomac, adjacent to National parkland, irretrievably changing the natural character of the enframing ridge along the east side of the river that has prevailed throughout the history of development of the National Capital, since the time of President Washington. Mount Vernon Memorial Highway on the west bank of the Potomac, the Federal and non-Federal lands along the Alexandria Waterfront, and many parts of Old Town Alexandria would be overwhelmed by this looming tower building.

Questions from Congressman Regula:

Question:

According to your FY 1986 activities you are preparing data analyses on Federal employment changes. What is this data used for?

Answer:

This data is used by the Commission and is provided to Federal, District of Columbia, regional, state, and local agencies for use in planning, capital improvement programming, project development and public service functions and processes.

Question:

According to your budget (pg. 19) you anticipate completion of the Special Street Plans for Consititution Avenue and Independence Avenues in FY 86. Could you elaborate on this activity?

Answer:

The Commission initiated preparation of Special Street Plans for the two avenues in fulfillment of its responsibilities for preserving the aesthetic and environmental quality of the Nation's Capital. These two avenues serve as the "grand entries" to the Monumental Core and the Mall area for many visitors, and their visual quality is considered critical to the overall character and quality of the mall and surrounding area. While consulting services were used in the initial stage of the special street planning, completion of the plans are being done in-house in an effort to minimize the expenditure of funds on this important project. The work is being completed by the staff of the Commission. Approximately six weeks staff time of the Urban Design Officer, two weeks staff time of the Historic Preservation Officer, and one week staff time of the Director of the Planning Services Division are needed to complete the plans. Because each of these staff members have other assignments, many dealing with agenda items that must be addressed in a prescribed time, work on the report is being done on a time available basis. However, it is anticipated that the staff work on the plans will be completed in FY 1986 as scheduled. Following completion of the staff work, the plans will be forwarded for consideration and action by the Commission.

Question:

How long has the NCPC been working on developing capsule descriptions of historic properties, and when do you anticipate completing this work?

Answer:

The Historic Preservation Officer started working on researching and writing capsule descriptions of historic properties in FY 85, on an as time permits basis, and completed 40 of them in the course of the Fiscal Year. Other staff responding to submissions and inquiries have already found these descriptions extremely useful. Because there are over 400 off these properties, we hope to be able to speed up their preparation, perhaps through the use of a summer intern. Projecting a complete date is not possible at this time.

Question:

According to your budget (pg. 23) in FY 1985 the NCPC was involved in the production of a tourist oriented map showing the National Park and Open Space system in the National Capital Region. I find it hard to believe such a map was not already in existence.

Answer:

The Visitors Element of the Comprehensive Plan for the National Capital, adopted by the Commission in December 1984, identified the need for a "unified, simplified, consolidated map and brochure with comprehensive information regarding all Federal Visitor attractions, events and services available to visitors to the National Capital to reduce duplication of effort among Federal Agencies".

The U.S. Geological Survey has prepared very high quality visitor/tourist oriented brochure type maps of selected National Parks and Recreation Area throughout the United States. However, a map of this type depicting the National Capital Park and Open Space system has not been included. While maps of the area in question prepared by other sources do exist, their quality and adaptability to visitor use does not approach that of the U.S.G.S. maps.

We have therefore urged U.S.G.S. to take the lead in developing such a map, and have resolved to work with that agency in defining the scope and detail of information needed and in providing additional technical input as may be required.

Planning discussion between our staff of U.S. Geological Survey are presently in progress.

Question:

According to your budget (pg. 23) in FY 1986 the NCPC will be involved in the publishing of a booklet describing Foreign Missions property acquisition procedures. Again, doesn't a document like this already exist.?

Answer:

Such a document does not currently exist. The Manual has been prepared to provide step by step guidance to the procedures and processes required in developing chancery projects in the District of Columbia based on Federal and District laws and regulations and espcecially the Foreign Missions Act of 1982.

Question:

Your FY 87 budget appears to have a lot of emphasis on mapping. Is there any work in this area that could be deferred?

Answer:

There is no mapping currently planned for FY 1987 that could be deferred without adversely affecting the work of the Commission. The Commission has, however, been conscious of the need to limit mapping work to only absolutely essential items, in view of on-going budget constraints. For that reason a major updating of the photogrammetric map series of the District of Columbia which the Commission had hoped to initiate in FY 1987, (jointly with the District of Columbia Government and the National Park Service), has already been cut from the FY 1987 Budget requests. In lieu of the major updating, the staff will continue to make in-house revisions to the map series as time is available in an effort to keep it as up to date as possible without new photography work. The work scheduled in FY 1987 toward production of a new Federal property base map series will be limited to in-house investigations and coordination with other agencies in an effort to determine the most economical approaches that can be undertaken to update the Federal property map series. No funds are projected to be devoted to this effort in FY 1987, and staff time will be devoted to it on an as available basis.

MONDAY, FEBRUARY 24, 1986.

THE COMMISSION OF FINE ARTS

WITNESSES

J. CARTER BROWN, CHAIRMAN

CHARLES H. ATHERTON, SECRETARY

DONALD B. MYER, ASSISTANT SECRETARY

DAVID J. MCCULLOUGH, BUDGET, ANALYST, OFFICE OF THE SECRETARY, DEPARTMENT OF THE INTERIOR

Mr. YATES. This is the hearing of the Commission of Fine Arts for fiscal year 1987. And appearing in support of that appropriation is its distinguished chairman, Mr. Carter Brown. He is supported by Mr. Atherton, the Secretary of the Commission; Mr. Myer, the Assistant Secretary; and Mr. McCullough, the Budget Analyst.

Mr. Brown's statement may be made part of the record at this point.

[The statement of J. Carter Brown follows:]

STATEMENT OF J. CARTER BROWN, CHAIRMAN, COMMISSION OF FINE ARTS, BEFORE THE HOUSE SUBCOMMITTEE ON APPROPRIATIONS FOR THE DEPARTMENT OF INTERIOR AND RELATED AGENCIES, FEBRUARY 24, 1986

Mr. Chairman:

The Commission of Fine Arts is requesting a total of $420 thousand dollars for FY 1987. I am happy to say that almost the entire $40 thousand dollar increase over FY 1986 funds enacted to date will be for the publishing of a long standing project on Sixteenth Street Architecture. This work has been ready to go for the last several years but until now we lacked administration backing. I hope at long last that we will get to complete this unfinished business. The remaining funds will go for staff operations and members' travel expenses at what was the originally appropriated level for this fiscal year. Even with the restoration of the recent cutbacks due to the Deficit Control Act of 1985, our operations will be extremely tight, and they may have to be further curtailed if our costs for services rise, as we expect they will.

At this time, Mr. Chairman, I would like to review some of the Commission's activities since the last time we appeared before your committee. It has been an extremely busy year for us, and so in the interest of time, I will not go into details. But if there is something you wish to know more about, we will be happy to respond in the fullest.

WASHINGTON MONUMENT

Of all the projects brought before us, I believe those of the National Park Service have to rank with the most important. For example, this past year has seen us considering plans for changes to the Washington Monument grounds and lighting, and for a major new park on the Georgetown waterfront. We are in the midst of our review of the Monument plans, but I can say at this point that both the lighting and the network of paths will be greatly improved. Still to be worked out are facilities for the convenience of visitors to the monument, and within the next several months this question should be settled. We will also be looking at new lighting mockups in the next several weeks that are designed to eliminate the shadows of the flags and greatly improve the overall quality of illumination.

GEORGETOWN WATERFRONT PARK

With our approval of the Rosewood Hotel design and the Mayor's transfer of District land to the Park Service, we look forward soon to seeing signs of progress on the Georgetown Waterfront Park. Some preliminary landscaping steps have already begun on the parcel between 31st Street and Wisconsin Avenue next to the Potomac, and once the hotel is underway, landscaping should proceed along both banks of Rock Creek, and the lock on the end of the so-called "mole" at the mouth of the Creek should be restored. While we have reservations about the floating restaurant next to Key Bridge, the remainder of the plan promises a beautiful addition to our waterfront park system, and the Commission fervently hopes the Park Service will be given the necessary funds to push this project to completion.

ARLINGTON CEMETERY VISITORS CENTER

Projects on installations administered by the military services also command much of our attention, with some of the most important areas of Washington included within their domain. None, of course, is more important to the American people than Arlington National Cemetery, where plans for a new visitors facility and parking structure have concerned us for the last several months. The new reception area will be housed, at last, in a permanent structure of classic design and materials suitable to the dignity of this important national shrine. We have been deeply concerned about the appearance of a large parking structure next to it which will accommodate all the many cars and buses that bring visitors, but this is currently under study.

PENTAGON AREA MASTER PLAN

One of the more provocative subjects to come before the Commission was a preliminary study on adding some three million square feet of additional office space in and around the Pentagon. Frankly, Mr. Chairman, we are skeptical of the feasibility of such a proposition, simply from the planning point of view of concentrating so many people and cars in one place. Whether or not it can be done and still operate efficiently remains to be seen. From an architectural and landscape point of view, it may be possible to add space by tucking it into the embankment of the Shirley Highway corridor, or to replace the existing expanses of surface parking with new space largely below grade, a scheme which might actually improve the appearance of the area.

THE SOUTH-EAST FEDERAL CENTER

More promising to us are plans for a major federal office complex on the west end of the Washington Navy Yard. It would provide for some six million square feet of new office space; but it would be done in such a way as to blend in with existing city streets and transform what is now a largely empty expanse of land into a vital new employment center. As such it would complement the longstanding but dormant plans for a redeveloped South Capitol Street Corridor, a concept that not only provides for office but residential and retail uses as well. The Commission feels that large-scale office needs for the military would be better met in the South-East Center, or across the river on the old Anacostia and Bolling Air Force sites, rather than crowded around other existing facilities.

NATIONAL DEFENSE UNIVERSITY-FT. MCNAIR

A similar question can be raised about the proposed plans for a major new structure for Fort McNair to replace the library at the old War College, now the National Defense University. Here the circumstances are different in that the new building, though very large, is primarily an extension of highly specialized existing functions and would not work as well in another location, even if nearby. Our primary concern was to see that the building fit in well with neighboring structures and not detract from the plan of Fort McNair, certainly one of the most historic military facilities in the country. After extensive study and revisions requested by the Commission, I believe we can say our objectives have been largely achieved, and that the new library building will be an important and suitable addition to the campus.

PENNSYLVANIA AVENUE DEVELOPMENT CORPORATION

Market Square Development

The Commission continues to be very much involved in the development of Pennsylvania Avenue; we have looked at a number of projects that when completed should essentially wind up the work along the Avenue. Chief among these are the Market Square Development and the Navy Memorial, both across the street from our National Archives. The Market Square project is a very exciting development, and if all proceeds as currently approved, this major link with the Avenue and the important Smithsonian museums to the north on Eighth Street will have been realized. Architecturally it takes a page from the design of the Federal Triangle and will for the first time provide a major visual connection between the north and south sides of the Avenue, a condition that has long confounded planners. This new office, retail and residential complex should provide a real stimulus to growth in the area. With the proper degree of control it should develop into a unique art corridor for the city along this axis.

The Navy Memorial

The centerpiece of Market Square is the Navy Memorial, and while the major design was discussed previously with you, there are a number of pieces of sculpture that already have been or will be looked at by the Commission, such as the figure of the so-called Lone Sailor, and the bas reliefs depicting the history of the Navy around the central plaza. With its planned usage as a major stage for the military bands, this memorial should make a great contribution to life along the Avenue, as well as provide for a fitting commemoration of the Navy.

The Canadian Chancery

The eastern anchor for the north side of the Avenue will be the new structure for the Canadian Chancery. We are very pleased with the design. It is a structure that has a strong individual identity suitable to the headquarters of another government, and yet at the same time is highly respectful of the context around it, especially, Mr. Chairman, the east and west buildings of the National Gallery which it faces. We are happy with the design and look forward to our new neighbors joining us in one of the most important spots along the Avenue.

UNION STATION REDEVELOPMENT

Another quasi-federal-private corporation we advise is that for the redevelopment of Union Station. Almost all the changes to this building are on the interior and require only a limited involvement with the Commission. However, the plans we have seen are very encouraging and much of the damage done during its earlier remodeling will be rectified. The exterior will also be restored, and only minor alterations will be allowed within the arcade in order to make some of this space available for a small, special outdoor dining area. We feel this is a very modest concession to the new use and that it will enhance the character of the building.

THE NATIONAL ARBORETUM

There are a number of other federal agencies that brought projects to us for advice and comment over the past year. One that will have special interest to a committee of Congress is the re-erection of the columns that originally were a part of the East Front of the Capitol. They have lain in storage for nearly thirty years since the extension of the facade, but thanks to the generosity of certain private individuals, they will be reassembled on a knoll overlooking the central green at the Arboretum. It is a beautiful site and a most appropriate spot to have these historic remnants of the Capitol remain on permanent display.

INTERNATIONAL CENTER

The State Department submitted designs for a new chancery for the government of Qatar, which will occupy a site on the west end of the International Center facing Reno Road. In addition they submitted extensive landscape plans for a major new addition to the Center north of Van Ness Street, behind the campus of the University of the District of Columbia. At the same time, the final phase of the new Intelstat Headquarters is nearing completion on the eastern edge of the Center bordering Connecticut Avenue.

THE HOLOCAUST MEMORIAL

As you know, Mr. Chairman, ground was broken this past October for a major new museum and memorial authorized by Congress to commemorate the Holocaust. The Commission has met with the design team and has given approval to the general concept of the design including the height, setback, and the overall organization of the massing. We still have some outstanding questions on the treatment of the principal facades and landscaping and any works of art that will be incorporated into the design. I will be happy to keep you up to date as details evolve.

MEDALS AND COINS

The final federal agency whose submissions we have reviewed is the U. S. Mint. As Chairman I was designated the task of reviewing the designs for the new commemorative series of coins issued on behalf of the restoration efforts now underway at Ellis Island and the Statue of Liberty. The coins have met with an enthusiastic response from collectors, and within the last two weeks ceremonies were held at Treasury Headquarters turning over some twenty-four million dollars that will go to the preservation of these two important national monuments. We hope there will be more.

The Commission has also been working with the Mint on designs for two national medals; one to honor the Veterans of the Vietnam War, and the other to recognize the contributions of Mrs. Lyndon Johnson to beautify America.

THE DISTRICT OF COLUMBIA GOVERNMENT

Georgetown and Shipstead-Luce Submissions

The Commission has advised on various public works projects such as alterations to Key Bridge and new sculpture for the Theodore Roosevelt Bridge, but by far the greatest amount of time has been spent on reviewing private construction in the historic district of Georgetown, and the areas around the Capitol, the White House and along both sides of Rock Creek Park which are controlled by the Shipstead-Luce Act. While many of these submissions are minor in nature, many are not, and together they occupy a great deal of the Commission's time. This past year alone has seen over four hundred individual projects submitted for review, a number of which had to be considered on several occasions over a lengthy period. Fortunately, we have an advisory board of three architects who go over all the Georgetown projects for us and are an enormous help. Like members of the Commission, they too serve without any financial compensation. When their decisions are appealed, however, by either the applicants themselves or by others who would oppose various projects, the Commission must review the case in detail. Also, projects of special significance receive individual attention from the Commission. The Georgetown area is unique, being the sole instance outside a national park in which the appearance of an entire community is reviewed by a federal agency. The Shipstead area is also unique to Washington, having been specifically created to protect the public interests in our federal parks and buildings from encroachment by private development. On some other occasion when we have more time, Mr. Chairman, we would like to discuss with you ways in which the latter of these two acts could be strengthened. We are concerned that federal interests should continue to be protected from private development, and that we have the proper authority and means to do so. I am sure you are aware of the controversial nature of the Techworld Development, a project that was, unfortunately, outside the regular channels of our purview; but one, nevertheless, the Commission has openly opposed.

CONGRESSIONAL LEGISLATION

Finally, Mr. Chairman, I want to mention the Commission's role in advising on legislative matters. Mostly, these take the form of proposals for various memorials. I believe there are thirteen such pieces of legislation currently pending before this Congress, ranging in subject from individuals of historic significance to military units and heroes to major conflicts such as the Korean War. I wish we could accommodate them all, but available space is running out fast, and we shall have to take a much tougher stance on the use of our parkland for this purpose. By saying this now, I hope some of our concern can be shared by the Congress, and that the tide of memorial proposals can be checked so that only the most deserving subjects can be memorialized in Washington.

That concludes our statement, Mr. Chairman. I would be happy now to answer any of the Committee's questions.

Mr. **Yates**. Mr. Brown, tell us about the Commission of Fine Arts. Do you have any problems? Do you need any money? You are asking for $420,000. How did you get through OMB with an appropriation greater than last year's?

Mr. **Brown**. We are delighted the Office of Management and Budget saw their way clear finally to give us the funds that we have requested year after year to make it possible to publish the study of the architecture of the 16th Street corridor, which proceeds from the White House up through some of the most interesting buildings in Washington. And this funding, then, we consider not to be a net drain on the Treasury because this simply makes it possible for the Government Printing Office to bring this to light, and they will sell these copies, and we are hopeful they will get their money back, at least a substantial part of it.

I was delighted to see that they felt this case was strong enough, even in this budget climate, to award those funds.

Mr. **Yates**. Convince us, too. Does this have to be published this year?

Mr. **Brown**. I think it is long overdue.

Mr. **Yates**. Isn't there a volume 1 on this?

Mr. **Brown**. This is the other shoe waiting to drop.

Mr. **Yates**. Only two shoes?

Mr. **Brown**. Only two shoes for that street.

Mr. **Yates**. You have other streets?

Mr. **Brown**. There are other great corridors that should receive the same treatment.

Mr. **Yates**. Are you talking about Massachusetts Avenue?

Mr. **Brown**. We have done that.

Mr. **Yates**. What are the other streets waiting for the shoe to drop?

Mr. **Atherton**. I am not sure, it would take the form of the same type we have had on individual streets, but certainly there are a great number of buildings we have to gather information on.

Mr. **Yates**. Why do you pick a street?

Mr. **Atherton**. Sixteenth Street and Massachusetts Avenue have distinct characters.

Mr. **Yates**. Do we understand it correctly, then, if you finish Massachusetts Avenue and 16th Street, you are through with the great buildings of Washington?

Mr. **Atherton**. No. But I certainly am not going to organize our study in the same fashion.

Mr. **Yates**. Who is going to do them all? Is somebody going to do them all?

Mr. **Brown**. It is cerainly worth doing, Mr. Chairman.

Mr. **Atherton**. There is a lot of work to be done on historic buildings and historic districts like Georgetown. We have only scratched the surface there.

Mr. **Yates**. If you are going to Georgetown, you are going to be there for years.

Mr. **Atherton**. We have been there a great many years already, 35 or 36 to be exact.

Mr. **Yates**. Why did you do this study in a tight fiscal year?

Mr. **Atherton**. This study was begun when things looked a little brighter. This is the fourth year——

Mr. **Yates**. You have a better memory than I do.

Mr. **Atherton**. This is the fifth year we have requested funds for this, and I am just glad the administration at this moment decided it is worth going ahead with.

Mr. **Yates**. How were you able to do it? Who do you know?

Mr. **Brown**. We do feel that it does save the government money to do it now rather than later.

Mr. **Yates**. How long have you been ready for publication?

Mr. **Brown**. Three years.

Mr. **Yates**. Is it more expensive to publish it this year than three years ago?

Mr. **Brown**. No question.

Mr. **Atherton**. Everything keeps going up, the printing expenses——

Mr. **Yates**. Do you know what the difference would be?

Mr. **Brown**. We could give you those figures.

[The information follows:]

According to the latest estimates from GPO, an anticipated increase of 5 percent for Fiscal Year 1987 and 5 percent for Fiscal Year 1988 should be added on to the total cost.

Mr. **Yates**. Now, you want $38,000 for the publication, right? Is that enough?

Mr. **Atherton**. Well, it is going to allow us to print a book that is substantially smaller than the one we have planned. Our original estimate was for $58,000, which would print a book that is essentially the same size as volume 1. That is, a 600-page book. The $38,000, we just got a revised estimate from the Government Printing Office, will allow us to print a book in the neighborhood of 350 pages. There is a good deal of material——

Mr. **Yates**. Do you want to put those in the record?

Mr. **Atherton**. I would be happy to.

Mr. **Yates**. They may be received for the record.

[The information follows:]

UNITED STATES GOVERNMENT

memorandum

DATE: January 30, 1986

REPLY TO ATTN OF: Superintendent, Departmental Account
Representative Division

When ordering, please refer
to Informal Estimate No. 39

SUBJECT: Second Volume of "Sixteenth Street Architecture"

TO: Mrs. Sue Kohler
The Commission of Fine Arts

The following is an updated informal estimate for printing the second volume of "Sixteenth Street Architecture":

500 copies, paper bound..........................	$58,064.00
Added hundreds, paper bound.....................	$527.00

SPECIFICATIONS:

No. of pages: 592
Trim size: 8-1/2 x 11"
Type page size: 2 columns 20 picas wide by 57 picas deep
Type: Baskerville 11/12
Halftones: 600
Text paper: White matte coated offset book, sub. 60
Cover paper: India Tint litho coated cover, sub. 80
Binding: Smythe sewn text, glue on wrap around cover
Color of ink: Text - black
Cover - Black and brown

The costs are broken down as follows:

Typesetting...........................	$17,760.00
Typography and Design.................	$ 8,641.00
Printing and binding..................	$32,190.00

Since this estimate is based on current production prices, an anticipated increase of 5 percent for Fiscal Year 1987 and 5 percent for Fiscal Year 1988 should be added on to the total cost.

Robert G. Cox
ROBERT G. COX

Attachment

UNITED STATES GOVERNMENT

memorandum

DATE: February 20, 1986

REPLY TO ATTN OF: Superintendent, Departmental Account
Representative Division

When ordering, please refer to
Informal Estimate No. 53

SUBJECT: Second Volume of "Sixteenth Street Architecture"

TO: Mrs. Sue Kohler
The Commission of Fine Arts

The following informal estimate is furnished for printing the second volume of "Sixteenth Street Architecture":

500 copies, paper bound	$37,700.00
Added hundreds, paper bound	$ 350.00

Specifications:
No. of pages: 384
Trim size: 8-1/2 x 11"
Type page size: 2 columns 20 picas wide by 57 picas deep
Type: Baskerville 11/22
Halftones: 390
Text paper: White matte coated offset book, sub. 60
Cover paper: India Tint litho coated cover, sub. 80
Binding: Smythe sewn text, glue on wrap around cover
Color of ink: Text - Black
Cover - Black and Brown

The costs are broken down as follows:

Typesetting	$11,154.00
Typography and Design	$ 5,617.00
Printing and Binding	$20,694.00

Since this estimate is based on current production prices, an anticipated increase of 5 percent for Fiscal Year 1987 and 5 percent for Fiscal Year 1988 should be added on the total cost.

Charles D. Collins for
ROBERT G. COX

Attachment

Mr. **Yates**. Why can't you make up the difference by a grant from a corporation? Wouldn't AT&T or Exxon or one of the corporations like to see an acknowledgement in a book of this kind, or do you propose not to do it?

Mr. **Brown**. This would be a very interesting tack to try to take.

Mr. **Yates**. I know of no greater ability in extracting money from corporations than you, Mr. Brown. Why don't you try it in this instance?

Mr. **Brown**. I think this makes some sense.

Mr. **Yates**. All right. Are you going to be able to cover the printing costs with the sale of the document? What has happened on volume 1?

Mr. **Atherton**. It has been sold out for a long time. The Massachusetts Avenue books have been reprinted.

Mr. **Yates**. Do you know what the printing costs are on that one? What happens to all that money? You could use it, couldn't you?

Mr. **Myer**. Very much so.

Mr. **Yates**. They should set up a special endowment fund for you.

Tell us about the number of projects and plans you have pending at the present time.

Mr. **Brown**. The pressure keeps up, I would say. Judging by the length of our meetings recently, it has probably increased. The sad thing is that we are going to have to start holding fewer meetings in order to try to get through the year with the sequestration of 4.3 percent of our appropriation which, in being perhaps the smallest agency in the United States Government, does not give us any absolute terms, much less legal room.

Mr. **Yates**. How much money does that take from you?

Mr. **Brown**. $16,000.

Mr. **Yates**. What does it do to you? What do you have to do if you lose $16,000?

Mr. **Brown**. We are going to start by trying to reduce the number of meetings, which mercifully cost a little less this year than last, because we had members from Chicago, Texas and Florida last time, and this year they are mainly from very close parts, except for one from California, but that nets out to an average lower cost per meeting.

Mr. **Yates**. There should have been an amendment to Gramm-Rudman that members of the Commission should be required to be appointed from Maryland and Virginia. That would help, wouldn't it, judging by what you are telling us now?

Mr. **Brown**. Particularly if they had a house nearby to sleep in.

Mr. **Yates**. It would be nice if they lived in Georgetown particularly.

Mr. **Brown**. That is right.

Mr. **Yates**. Will you be able to take care of it through lower travel costs?

Mr. **Brown**. It doesn't look so. At the moment, our projections show we have to start furloughing some of our "large" staff.

Mr. **Yates**. For how long?

Mr. **Atherton**. I think it could be for as long as two weeks. We don't really know at this time, and we are feeling our way. It is a very real possibility.

Mr. **Yates**. What happens to your work?

Mr. **Atherton**. It is going to have to sit for a while.

Mr. **Yates**. Who does it hold up?

Mr. **Brown**. No matter who it holds up, who it impacts is the private interest sector. The builders who need our approval to go ahead obviously are in a hurry to get that approval, and we try to accommodate them the best we can.

Mr. **Yates**. But you are rotating your employees, aren't you? Do you furlough them all at one time or rotate them?

Mr. **Atherton**. We haven't worked out specific plans.

Mr. **Yates**. If you rotate them, how does it hold up, or does it hold up? For $16,000, what will be held up? Give me an example of projects that will be held up.

Mr. **Brown**. There is a large office building being built at Judiciary Square.

Mr. **Yates**. Pennsylvania Avenue?

Mr. **Brown**. No, it is up just above that, a very interesting area across from the Courthouse, and that historic district is by the Judiciary Square Metro stop, if that places it. You know, a large project like that is privately funded, and every month that goes by because of delay means increased interest charges and escalated costs. These are the aspects which we try not to have government getting in the way of making the country richer.

Mr. **Yates**. Do you continue to participate in the work on Pennsylvania Avenue, for example?

Mr. **Brown**. Very heavily.

Mr. **Yates**. How can you do it if your staff is incomplete?

Mr. **Brown**. This is what we are going to try to work out.

Mr. **Yates**. Would a supplemental help you in this instance?

Mr. **Brown**. Yes.

Mr. **Yates**. You had better put into the record the projects that you have pending before you; whether they will be held up; the probability for how long; and how this will affect your work with Pennsylvania Avenue, the International Center Site and the other work that you have. I assume it will impact in some respect on your publication of the book, too, won't it?

Mr. **Atherton**. It sure will.

[The information follows:]

Over the next seven months, we expect to see plans for the renovation of the District Building; major new offices on Seventeenth Street, Indiana Avenue, N. W., and Judiciary Square; plans for the Arboretum and the Pentagon, an embassy for Qatar at the International Center, several major structures in Georgetown, including sites near the C&O Canal, M Street, Wisconsin Avenue and on the campus of Georgetown University; and in addition a considerable number of private sector projects that soon will materialize as specific proposals but have not yet been identified. All of the projects submitted during the next seven months could be delayed at least two months or more if the Commission is forced to cancel three of its meetings as appears necessary. In addition, the delay could be further extended were the staff to be furloughed.

Mr. **Yates**. So OMB gives you some money with one hand, and Gramm-Rudman takes it away with the other. Blessed be the name of the government.

I think I am going to put the rest of the questions in the record.

What about the marquee for the Willard Hotel? Did you turn it down?

Mr. **Brown**. No. I think we voted——

Mr. ATHERTON. It has been approved. I haven't had contact with the entire membership, but I think the majority has approved it.

Mr. YATES. What about a parking structure for Arlington?

Mr. BROWN. We have had a very successful time with that architect and his client, because we were very concerned about approving a large parking structure as part of the memorial core and park system of this town which would be a real eyesore, although they had already taken great pains to hide it as much as possible.

We brought them to the realization that we really didn't want to see it at all, and we also pointed out to them that not only was there a problem in the day, but there could be a problem at night, and we didn't want the lights on the parking structure showing up and taking away from the Custis-Lee Mansion, the eternal flame and the city-scape with the memorials across the river.

And so they rolled their sleeves up, and they have lowered the whole structure, they have completely redesigned it so there are now wider planters and a wider space for planting between it and the road, and at the last meeting we approved the design.

Mr. YATES. Mr. Atherton, I want to direct your attention to the Park Service's new parking lot. I understand that you don't like it. Is that an understatement?

Mr. ATHERTON. Well, on the basis that it is going to be there for a very short time, I guess we can live with it.

Mr. YATES. What is a short time?

Mr. ATHERTON. That is the big question all of us in Washington are asking. They say a year to a year-and-a-half before the construction is finished on East Executive Avenue.

Mr. YATES. This is for the White House?

Mr. ATHERTON. White House personnel are using the area that is just south of the Boy Scout Memorial, across from the Commerce Department.

Mr. YATES. Are there no other places you have suggested?

Mr. ATHERTON. No one asked us in this case.

Mr. YATES. Do you have a place?

Mr. ATHERTON. It is hard to say where you would put extra White House parking except in perhaps a neighborhood commercial rental space, but there is no outdoor space available—certainly everything around the White House is park land.

Mr. YATES. Are there any public parking facilities, or private parking facilities?

Mr. ATHERTON. There are plenty around the neighborhood.

Mr. YATES. Mr. Parsons, how does it happen you put a parking lot in without asking the committee for permission to put it in?

Mr. BROWN. Aren't you sorry you stayed?

Mr. YATES. You know nothing about this?

Mr. PARSONS. Just enough to get myself in trouble, Mr. Chairman.

Mr. YATES. Who selected the parking lot? Did you do it; you, the Park Service? Aren't you required to clear it with the Fine Arts Commission before you do it?

Mr. PARSONS. The need for the parking lot really arose at the eleventh hour of the project, when a major sewer line had to be corrected by E Street.

Mr. **Yates**. Why don't you reserve some places in private parking locations?

Mr. **Parsons**. Given the short-term duration——

Mr. **Yates**. You mean a year?

Mr. **Parsons**. We had hoped by October 1st we would have the sewer line completed.

Mr. **Yates**. Why don't you put your 60 employees into parking facilities in buildings around the area? That would be a lot easier than doing what you have done, wouldn't it?

Mr. **Parsons**. We might need to direct that question to the White House.

Mr. **Yates**. Yes, but the White House——

Mr. **Parsons**. I am sorry I came up here. I am sorry I stayed.

Mr. **Yates**. Will you have them inquire about that?

Mr. **Parsons**. I will certainly do that.

Mr. **Yates**. I think you are required to check with the Commission of Fine Arts, aren't you, before you do something like this? As I understand the law you need their approval. Is that true, Mr. Brown?

Mr. **Brown**. I suppose there could be some discussion when it becomes only a temporary matter.

Mr. **Yates**. But this isn't temporary. What is temporary, 30 days? What do you define as temporary?

Mr. **Atherton**. In this city, it is a fearsome word to define. Anywhere up to 50 years, perhaps.

Mr. **Yates**. You had a terrible time getting the "tempo" down, didn't you? Go back to Mr. Fish and see if he doesn't have to get the permission of Mr. Brown and his Commission—did you give him the permission?

Mr. **Brown**. No. We were not asked. However, I am not clear myself, Mr. Chairman, on exactly what the regulations say about something which can be related to construction operations.

Mr. **Yates**. The east building has extra space there.

Mr. **Parsons**. Only in the early mornings.

Mr. **Yates**. Okay.

Mr. **Brown**. I think it is wonderful it has come to public scrutiny, because the whole question of temporary is a crucial issue here. Obviously, there are some things that have to be put up with for short periods of time, but there is no more emotional issue in Washington, as we all know, and once people get used to parking someplace——

Mr. **Yates**. I don't think there is any question about it. I would think once they have this parking space, it will be expanded to more employees at the White House. I think you had better stop before you start. I don't know why they can't buy parking spaces, ask for funds from OMB and us to do it if you need parking in that area.

I think you should do it rather than—I was going to use the word lousing up the good looks of Washington and the Washington area with a parking lot of that kind. At any rate, I assume we will ask the Park Service more about that when they come in.

Mr. **Parsons**. I sensed that, Mr. Chairman. You will have a full report.

Mr. **Yates**. What is the status of renovations to Blair House? Have you had that pending, too?

Mr. **Brown**. Yes. But as far as we are concerned, we have given the approval. That is underway.

Mr. **Yates**. You are past that. Has the Commission informally given any advice on Techworld?

Mr. **Brown**. We have.

Mr. **Yates**. That is out of the way; is that right?

Mr. **Brown**. I wish the whole project were out of the way. We have done everything we can until Congress sees fit to amend the borders of that area to include major streets in the L'Enfant plan.

Mr. **Yates**. All right. Do you have any design plans pending for Park Service use in the Georgetown waterfront area?

Mr. **Brown**. Not specifically a design, but the waterfront park there has, at last, been given the green light by the District, and I suppose it awaits now funding from the Department of the Interior.

Mr. **Yates**. For design?

Mr. **Brown**. Design is completed and approved, I understand, for the first stage.

Mr. **Yates**. The land has been transferred, but now the uses by the Park Service, I assume, are corporate first in design, are they not?

Mr. **Brown**. The design for phase one, which is the adjoining lot to the harbor project there, from 31st street to Wisconsin Avenue, has been approved by us, and with some enthusiasm. We thought it was an excellent design. What we worry about is even that might not get built unless it is funded.

Mr. **Yates**. You have parking lots there. Have you told the White House that?

Mr. **Brown**. We have told everybody about it. It is a real eyesore now.

Mr. **Yates**. When are you coming in with the design plans for that, or should I save that for Jack Fish too?

Mr. **Parsons**. I would prefer that, yes, sir.

Mr. **Brown**. Let me state for the record, Mr. Chairman, that we spend a great deal of time and energy in Georgetown fussing over small signs and fences and gates.

Mr. **Yates**. We won't have to do that with reduced appropriations, will we?

Mr. **Brown**. We have one of the greatest eyesores in America sitting at the gateway to the Capital, which is the present state of the Georgetown waterfront. The parking lot is in the foreground. The sooner that can be remedied, the better it is for the capital of the nation.

Mr. **Yates**. We will have some questions for the record.

[The information follows:]

QUESTIONS FOR THE RECORD
Commission of Fine Arts
February 24, 1986

Question: What have been the highlights in FY 1986 for the Commission of Fine Arts?

Answer: The FY 1986 highlights of the Commission's activities are shown on the attached copies of the Commission agendas for October 1985 through February 1986.

Question: What objectives are being outlined by the Commission for FY 1987?

Answer: To continue the same level of advice and public service respecting the appearance of the Capital and other questions involving design.

On page 7 of the justification under objectives, it states that "the specially trained staff architects and historians performing this work (research on buildings, areas and plans) are also available to the Commission on a case-by-case basis to provide supporting material on proposed projects, sometimes on very short notice."

Question: What is the usual amount of notice staff has on a particular project?

Answer: It varies greatly, anywhere from a day or two to several months.

Question: How much time does staff have, on the average, to do research for presentations to the Commission?

Answer: Two weeks.

Question: There is a small professional staff for the Commission; how many are administrative support staff and how many are professional historians and architects?

Answer: Two Administrative Support
Two Architectural-Art Historians
Two Architects

All four professionals must divide their time between administrative functions and professional work.

Question: What is the average caseload of each staff person?

Answer: The four professional members generally share the work on each case. The average per person is about 130 cases per year.

Page 8 of the justification states that the "Commission's workload is increasing as project submissions by other government agencies increases."

Question: How have the number of projects and plans reviewed by the Commission varied between FY 1985, FY 1986 and that which is anticipated for FY 1987?

Answer: Project & plan review:

	First 5-Months of FY	12 Months
FY 1985	182 (actual)	514 (actual)
FY 1986	242 (actual)	581 (estimated)
FY 1987	302 (estimate)	648 (estimated)

(NOTE: Estimated on basis of constant growth rather than acceleration)

Question: What staff changes have there been to accompany this change in workload?

Answer: There has been no staff change.

Question: What do you feel is the cause of this increase? [workload]

Answer: General optimism in the private construction industry, and new space needs for the government.

Question: Is it a trend that will continue in the next few years or a sudden increase which will be followed by a tapering off of projects in the future?

Answer: We see it as a continuing long-term trend, although the rate of increase will probably taper off.

Question: Does the Commission have any ongoing studies to assist with the planning and urban design issues in the Washington area?
-- If yes, who makes requests for these studies to the Commission?

Answer: No.

The justification states that you use a summer intern.

Question: With Gramm-Rudman will you be able to continue providing this "hands-on" experience in the future?

Answer: No.

Question: From where do you recruit your summer interns?

Answer: From applicants approved by the Historic American Building Survey.

On page 8 of the justification it states that you require an increase in your FY 1987 appropriation due in part to "an increase in costs for administrative support services by the Department of the Interior."

Question: What is the magnitude of this increase in administrative support services?

Answer: In July 1985, Interior requested we budget for a $20,000 fee for administrative support--an increase of $10,000. A revised request was received January 31 reducing the increase to $100.

Question: In FY 1986 there was a problem with the Department of the Interior charging you a pro-rated share of their total cost. This meant that the Commission was subsidizing services which they did not receive any benefit from. How has this problem been remedied in respect to your charges for FY 1987?

Answer: Their proposed increase was vigorously opposed by this agency, as well as others, and was subsequently all but withdrawn.

The National Park Service is working on lighting studies for the Washington Monument.

Question: When does the Commission expect to review these studies?

Answer: The concept was reviewed and approved in January, subject to inspection of a mock-up to be viewed later this Spring.

Question: How often do the Members of the Commission physically visit the project sites they are reviewing?

Answer: Almost every month and sometimes more often, at least some members make site inspections, and in certain instances the whole Commission will deliberate an issue on site.

Question: Is the Commission aware of the proposed amendment to the Criteria for Guidelines for Memorials on Federal Lands in the National Capital Region which establishes criteria by which proposed military memorials would be evaluated and recommended by the National Capital Memorial Advisory Committee?

Answer: Yes, and we approved it in May 1985.

Question: If so, what is the Commission's opinion on this revision?

Answer: It is a good revision, spelling out the need to limit the military memorials to only those very special cases which involve major conflicts, and not those associated with an individual military mission or organization.

COMMISSION OF FINE ARTS QUESTIONS FOR THE RECORD SUBMITTED BY REPRESENTATIVE REGULA

FEBRUARY 24, 1986

1. When almost all agencies, departments and offices, including congressional offices are being asked to cut back, how do you justify an increase in your budget? An increase I might add which is even over your appropriation for fiscal year 1986 before the Gramm-Rudman sequestration.

ANSWER: The Administration has authorized printing the long delayed Sixteenth Street Architecture, Volume II. This represents $38,000 of the increase, which will be returned to the Treasury through a book sale arrangement with the Superintendent of Documents. The additional $2,000 increase is necessary to cover increased operating costs which are fixed and uncontrollable in nature.

2. Your budget justification (page 2) says you plan to fund publication of a multi-year research effort focusing on the architecture on the White House axis of Sixteenth Street with the revenues from the sale to be returned to the Treasury? What do you estimate these revenues to be?

ANSWER: The revenues are based on the publication cost by the Superintendent of Documents and should be $38,000 for the first edition.

THE COMMISSION OF FINE ARTS
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202-566-1066

MEETING OF THE COMMISSION OF FINE ARTS

October 9, 1985

AM
10:00 CONVENE, 708 Jackson Place, N.W., Washington, D.C.

I. ADMINISTRATION

A. Approval of September 11, 1985 minutes of the Commission of Fine Arts.

B. Dates of next meetings: November 13, 1985, Wednesday
December 11, 1985, Wednesday

C. Techworld development: Status report.

II. SUBMISSIONS AND REVIEWS

A. National Park Service, National Capital Region

1. CFA 9/OCT/85-1, Logan Circle landscape plan.

2. CFA 9/OCT/85-2, George Washington Memorial Parkway, draft environmental impact statement design alternatives.

B. Pennsylvania Avenue Development Corporation

CFA 9/OCT/85-3, 615 Indiana Avenue, N.W., proposed new office building, Farr-Jewett and Associates, preliminary design.

C. Department of State

CFA 9/OCT/85-4, Embassy of Qatar, International Center; preliminary designs for new chancery building.

II. SUBMISSIONS AND REVIEWS CONTINUED, October 9, 1985

D. District of Columbia Government, Department of Consumer and Regulatory Affairs

Old Georgetown Act

1. O.G. 85-255, 3350 M Street, N.W., Forrest-Marbury House, revised concept design for connecting bridge.
2. O.G. 85-272, 3414 Prospect Street, N.W., Curb-cut, excavation, renovation and addition, Jack Y. Matthews.
3. O.G. 85-278, 1521 35th Street, N.W., Curb-cut and landscaping, Plake/Bryant Associates.
4. O.G. 85-276, 907 30th Street, N.W., Final designs for Rosewood hotel-office building.

Appendix I.

Shipstead-Luce Act

1. S.L. 85-105, 5401 16th Street, N.W., Buddhist Congregational Church of America, final plans for a church building.
2. S.L. 85-107, 2215 Constitution Avenue, N.W., American Pharmaceutical Association, final designs for roof deck.
3. S.L. 85-108, 2215 Constitution Avenue, N.W., American Pharmaceutical Association, concept designs for reopening Constitution Avenue entrance and relandscaping.
4. S.L. 85-110, 2301 N Street, N.W., New office and apartment buildings, design concept.

Appendix II.

E. National Academy of Sciences

CFA 9/OCT/85-5, 2101 Constitution Avenue, N.W., New Constitution Avenue access to Albert Einstein Statue.

II. SUBMISSIONS AND REVIEWS CONTINUED, October 9, 1985

F. Department of the Treasury, Bureau of the Mint

1. CFA 9/OCT/85-6, Lady Bird Johnson Medal, plaster model.

2. CFA 9/OCT/85-7, Vietnam Veterans Medal, plaster model.

REPORT OF ACTIONS TAKEN UNDER THE OLD GEORGETOWN ACT

NO.	ADDRESS AND OWNER	PROJECT
O.G. 85-212	3218 M Street, N.W. Sam Levy	Wood-framed canopy

ACTION: Do not recommend issuance of permit. Proposed hood canopy should complement late nineteenth century character of existing building. Recommend restudy along lines of traditional projecting cornice supported on brackets.

O.G. 85-221	3601 M Street, N.W. D.C. Realty Corporation	New commercial building: Concept

ACTION: Concept designs withdrawn at request of applicant.

---

*O.G. 85-244	3600-3624 Winfield Lane, N.W. Porten-Sullivan	New townhouses

ACTION: No objection to concept as submitted in composite elevation drawing received and dated 13 September 1985. Subsequent submission must include careful analysis of details and landscape elements. Note that presentation should include existing as well as anticipated topographical surveys and a finalized elevation drawing showing exact housing designs and their location for approval by the Commission of Fine Arts.

---

*O.G. 85-251	3360 M Street, N.W. Paul H. Weinstein	Demolition (adjacent Forrest-Marbury)

ACTION: No objection to issuance of permit for razing a non-contributing structure to allow new construction as approved in O.G. 85-95.

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*O.G. 85-256	3628-3672 Winfield Lane, N.W. 3600-3644 Reservoir Road, N.W. Porten-Sullivan	New townhouses: Concept

ACTION: No objection to concept as submitted in composite elevation drawing received and dated 13 September 1985. Subsequent submission must include careful analysis of details and landscape elements. Note that presentation should include existing as well as anticipated topographical surveys and a finalized elevation drawing showing exact housing designs and their location for approval by the Commission of Fine Arts.

REPORT OF ACTIONS TAKEN UNDER THE OLD GEORGETOWN ACT

NO.	ADDRESS AND OWNER	PROJECT
O.G. 85-257	1224 31st Street, N.W. RSSN Associate Limited Partnership	Projecting sign

ACTION: Issue permit for proposed projecting sign.

O.G. 85-258	1077 30th Street, N.W. James Place Condominium	Iron gate

ACTION: No objection to issuance of permit for proposed iron gate and fence.

O.G. 85-259	1232 31st Street, N.W. RSSN Associate Limited Partnership	Mechanical equipment

ACTION: Issue permit. Proposed mechanical equipment will not be visible from public space.

O.G. 85-260	1338 Wisconsin Avenue, N.W. Matthew E. Donahue	Sign

ACTION: No objection to issuance of permit for property sign. Wall space is limited and existing balcony together with neighboring awning will help limit detrimental impact of a projecting sign on street.

O.G. 85-263	1201 Wisconsin Avenue, N.W. Riggs National Bank	Restoration & alterations: Concept

ACTION: No objection to the proposed restoration of the entrance doors and gates or to the other renovations and alterations indicated in drawings received and dated 3 September 1985.

O.G. 85-265	3147 P Street, N.W. Barbara Hertzberg	Swimming pool

ACTION: No objection to issuance of permit. Proposed pool will not be visible from public space.

REPORT OF ACTIONS TAKEN UNDER THE OLD GEORGETOWN ACT

NO.	ADDRESS AND OWNER	PROJECT
O.G. 85-266	1611 35th Street, N.W. Pat Hoffman	One story rear addition

ACTION: No objection to issuance of permit for proposed one story rear addition.

O.G. 85-267	1249 Wisconsin Avenue, N.W. David Soleimanzadeh	Sign

ACTION: Do not recommend issuance of permit. Enlarging fascia board for proposed sign will create joinery problems with existing display windows. Internally-illuminated, varicolored plastic letters do not conform to the D.C. Building Code and are not appropriate to the Historic District. Recommend development of a painted wood horizontal sign hung across glazing below existing bay cornice.

O.G. 85-268	3029 M Street, N.W. Fred Maroon	Signs, banners, awning & lighting

ACTION: No objection to issuance of permit for banner and awning only. Proposed externally-illuminated horizontal sign adversely effects the architectural integrity of the balcony soffit and cornice, and is not recommended. Recommend submittal of revised sign design under separate application.

O.G. 85-270	1235 Wisconsin Avenue, N.W. KOLB Realty Inc.	Projecting sign

ACTION: No objection to issuance of permit for proposed projecting sign. Sign will be hung directly over center line of doorway, mounted above and clear of the existing fan-light.

O.G. 85-271	1070½ 31st Street, N.W. Hyo Y. Whang	Commercial renovation

ACTION: Do not recommend issuance of permit for proposed renovation. Drawing as submitted is inadequate for review. Recommend applicants submit a more professional architectural design appropriate to the historic district. Suggest developing a theme along lines of existing central bay which seems original to building.

REPORT OF ACTIONS TAKEN UNDER THE OLD GEORGETOWN ACT

NO.	ADDRESS AND OWNER	PROJECT
O.G. 85-275	3301 N Street, N.W. L. Hodges	Porch addition

ACTION: No objection to issuance of permit for second floor porch addition (as shown on appended supplemental drawing labeled "C") and other changes shown on drawings received and dated September 24, 1985.

O.G. 85-277	1313 Wisconsin Avenue, N.W. John Jr. & M.G. Snyder	Commercial renovation: Concept

ACTION: No objection to concept. Recommend restudy of both entrances to achieve a more harmonious design. Further recommend against continued use of rough stucco as finish material.

O.G. 85-281	3200 M Street, N.W. The Banana Republic	Entrance alteration

ACTION: No objection to widening existing masonry opening to meet D.C. Firecode standards. Request additional submission which includes design for door, surround and awning, for review by this Commission prior to issuance of permit.

O.G. 85-283	3251 Prospect Street, N.W. Phoenix-Georgetown Inc.	Sign

ACTION: No objection to issuance of permit for sign having individually-mounted polished brass letters. Note previously approved case O.G. 85-232.

O.G. 85-284	3213 M Street, N.W. Laura Ashley, Ltd.	Existing awning and sign

ACTION: No objection to the issuance of a permit for repair to existing awning and sign originally approved in 1979 (see O.G. 79-85).

REPORT OF ACTIONS TAKEN UNDER THE OLD GEORGETOWN ACT

NO.	ADDRESS AND OWNER	PROJECT
O.G. 85-285	1305 Wisconsin Avenue, N.W. Capital Management & Development Corporation	Addition and alterations: Concept

ACTION: No objection to the concept of an addition to the north of the existing building or to constructing new window openings in the south wall. Recommend that north stair and elevator addition be more in sympathy with the character of the existing structure and that the proposed design of the windows be in character with the existing secondary windows elsewhere on the building.

O.G. 85-286	1249 Wisconsin Avenue, N.W. David Soleimanzadeh	Sign

ACTION: No objection to the issuance of a permit for proposed sign consisting of a tempered-glass ground, painted blue. The clear, sand-blasted letters will be back-lit only from the general interior illumination of the store; there will be no exterior illumination. Note changes to the drawing made by the applicant.

REPORT OF ACTIONS TAKEN UNDER THE SHIPSTEAD-LUCE ACT

NO.	ADDRESS AND OWNER	PROJECT
S.L. 85-94	226 Massachusetts Avenue, N.E. James Vito Trust/American Security	Brick paving and planter

ACTION: No objection to issuance of permit.

S.L. 85-96	214 E Street, N.E. and 215 F Street, N.E. Potomac Development Corporation	Demolition: Concept

ACTION: Returned without comment; proposal is outside the Shipstead-Luce Act area.

S.L. 85-97	239 Massachusetts Avenue, N.E. Thomas Robins	Glass canopy

ACTION: Returned without action; proposal is outside the Shipstead-Luce Act area.

S.L. 85-98	237 Massachusetts Avenue, N.E. Thomas Robins	Glass canopy

ACTION: Returned without action; proposal is outside the Shipstead-Luce Act area.

*S.L. 85-99	515 15th Street, N.W. Galveston Texas Hotel Corporation	Alterations and renovations to F Street elevation

ACTION: No objection to issuance of permit for removal of stucco panels and window restoration to match details on Pennsylvania Avenue and 15th Street sides of the building.

REPORT OF ACTIONS TAKEN UNDER THE SHIPSTEAD-LUCE ACT

NO.	ADDRESS AND OWNER	PROJECT
*S.L. 85-100	500 H Street, N.W. Judiciary Square Development Group Limited Partnership	New hotel building: Concept

ACTION: Issue permit. Working drawings match concept design drawings with Commission of Fine Arts suggestion incorporated. Erect sample brick and mortar panel on site for review and approval by the Commission of Fine Arts prior to erection of exterior walls.

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*S.L. 85-106	2929 Massachusetts Avenue, N.W. Robert Kogod	Renovations to residence

ACTION: No objection to issuance of permit for renovations, additions and landscaping of existing residence as shown on working drawings received and dated 20 September 1985.

S.L. 85-109	1776 D Street, N.W. Daughters of the American Revolution	New service entrance: Concept

ACTION: No objection to the concept for moving and widening basement service entrance as shown on drawing received and dated 27 September 1985.

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*S.L. 85-111	500 H Street, N.W. Judiciary Square Development Group Limited Partnership	New hotel building

ACTION: No objection to issuance of permit for proposed hotel building as preiously approved under Shipstead number 85-100 and shown on drawings received and dated 5 September 1985. Approved exterior materials include Glen-Gery Redwood brick, cast-stone, clear insultated glass, and anodized bronze aluminum sash. The brick joints will have a tinted mortar at the base to match the color of the brick and a plain mortar above the first two floors to match the cast-stone.

THE COMMISSION OF FINE ARTS
ESTABLISHED • BY • CONGRESS • MAY • 17, 1910
708 JACKSON PLACE, N.W.
WASHINGTON, D.C. 20006
202-566-1066

MEETING OF THE COMMISSION OF FINE ARTS

November 13, 1985

AM 11:30 CONVENE, 708 Jackson Place, N. W., Washington, D. C.

I. ADMINISTRATION

A. Administration of Oath of Office for new members: Carolyn Deaver, Roy M. Goodman, Pascal Regan and Diane Wolf

B. Dates of next meetings: December 11, 1985
(Wednesday)

January 15, 1986
(Wednesday)

February 12, 1986
(Wednesday)

March 12, 1986
(Wednesday)

C. Captain Peter Belin Award for distinguished service to the Georgetown Community, presented to the Commission of Fine Arts, November 12, 1985

II. SUBMISSIONS AND REVIEWS

A. District of Columbia Department of Consumer and Regulatory Affairs

Old Georgetown Act

1. O.G. 85-276, 907-30th Street, N. W., Rosewood Hotel and Office Building, request for approval of construction drawings.

II. SUBMISSIONS AND REVIEWS CONTINUED, November 13, 1985

Old Georgetown Act (continued)

2. O.G. 85-280, 3300 M Street, N.W., proposed new office and retail building, review of initial concept design.

3. Appendix I. Review of Old Georgetown Board recommendations.

Shipstead-Luce Act

1. S.L. 86-11, 3005 Oregon Street, N.W., proposed new single-family residence, request for approval of construction drawings.

2. S.L. 86-12, 3002 Oregon Street, N.W., proposed new single-family residence, request for approval of construction drawings.

3. S.L. 86-13, 2301 N Street, N. W., proposed new office/apartment building, review of revised concept design.

4. S.L. 86-17, 400 First Street, S.E., proposed sidewalk cafe enclosure.

5. S.L. 86-20, 5401 16th Street, N.W., the Buddhist Congregational Church of America, request for approval of construction drawings for a new entrance gate.

6. S.L. 86-21, 409 12th Street, S.W., proposed new office building, review of initial concept design.

7. Appendix II. Review of Staff recommendations.

B. District of Columbia Urban Renewal Authority

CFA 13/NOV/85-1, Phillips Flagship Restaurant, Maine Avenue, S.W., on the Washington Channel, alterations and additions to existing building; review of initial concept design.

II. SUBMISSIONS AND REVIEWS CONTINUED, November 13, 1985

C. Department of the Army, Office of the Chief of Engineers

CFA 13/NOV/85-2, Arlington Cemetery Visitors Center and Parking Facility; review of initial concept design.

D. Department of the Treasury, Bureau of the Mint

1. CFA 13/NOV/85-3, Vietnam Veterans Medal, revised design for obverse side; inspection of plaster model.
2. CFA 13/NOV/85-4, Lady Bird Johnson Medal; inspection of plaster model for obverse side.

III. INSPECTIONS

A. General Services Administration

CFA 13/NOV/85-5, Pentagon Area Master Plan Studies; review of design alternatives in process at the offices of Keyes, Condon and Florance, Architects, 1320 19th Street, N. W.

B. Freer Gallery of Art

Inspection of proposed acquisitions.

APPENDIX I

REPORT OF ACTIONS TAKEN UNDER THE OLD GEORGETOWN ACT

* O.G. 85-255	3350 M Street, N. W. Forrest-Marbury House	Revised concept design for connecting bridge

ACTION: No objection to concept of two-level masonry bridge connecting upper stories of historic Forrest-Marbury House with new construction to the west. Note attached drawing of accepted scheme.

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* O.G. 85-272	3414 Prospect Street, N. W. Jack Y. Matthews	Curb-cut, excavation, renovation and addition: Conceptual

ACTION: Recommend against concept of curb-cut. New curb-cuts are not recommended for existing residential structures in the historic district. Commission notes that this residence retains last remaining original ground plane on block.

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* O.G. 85-278	1521 35th Street, N. W. Plake/Bryant Associates	Curb-cut and landscaping

ACTION: Recommend against issuance of permit. New curb-cuts are not recommended for existing residential structures in the historic district. Proposed curb-cut would have adverse impact on historic house, iron fencing and landscape setting as well as disrupt view along public space.

O.G. 85-279	1511 Wisconsin Avenue, N. W. Gholamrezu Mottayhi	Store renovation

ACTION: No objection to the issuance of permit according to drawing received and dated 13 September 1985. Note changes shown in red ink as discussed with applicant and approved by Commission.

APPENDIX I

REPORT OF ACTIONS TAKEN UNDER THE OLD GEORGETOWN ACT

O.G. 85-289	1206 30th Street, N. W. Thomas H. Price, III	Internally-illuminated sign

ACTION: Issuance of permit is not recommended. An internally-illuminated plastic sign is not appropriate to the historic district or this historic structure. Recommend submittal of bracket-mounted wood sign, approximately 30 in. wide by 40 in. high having graphics and lettering painted on surface.

O.G. 85-290	1517 30th Street, N. W. Dwight Shar	Addition of two dormers: Conceptual

ACTION: The concept of adding dormers to this individually-designated landmark residence is not recommended.

O.G. 86-01	1519 Wisconsin Avenue, N. W. John Snyder & Sam Levy	Awning/sign

ACTION: Recommend issuance of permit for opaque, vinyl-clad, grey-colored awning with white lettering on eight inch valance.

O.G. 86-04	1070½ 31st St., N. W. Hyo Y. Whang	Renovation to existing commercial building.

ACTION: Recommend issuance of permit for altering existing garage openings for windows. Existing entrance door and adjacent window will remain. Note changes marked in red on submitted drawing as approved by applicant. Changes require larger window area with small panes of glass divided by wood muntins. Muntins not to exceed 1" in width.

O.G. 86-05	1413 Wisconsin Avenue, N. W. Angelo A. Puglisi	Awning refurbishment

ACTION: No objection to issuance of permit for black and white-striped shed awning having a white valance with black lettering.

REPORT OF ACTIONS TAKEN UNDER THE OLD GEORGETOWN ACT

O.G. 86-08	3029 M Street, N. W. Fred Maroon	Signs & lighting: Conceptual

ACTION: No objection to concept of horizontal sign attached to shopfront cornice or to banner sign at second floor. Working drawings should include a more discreet form of lighting than previously submitted.

O.G. 86-09	1313 Wisconsin Avenue, N. W. John Jr. & MG. Snyder	Storefront remodeling: Conceptual

ACTION: No objection to concept of storefront remodeling as shown on drawings received and dated 22 October 1985. Submit working drawings to the Commission of Fine Arts for approval when ready.

O.G. 86-13	3323 Q Street, N. W. Goulden-Smith	Conversion of garage

ACTION: Project determined not to be visible from public space.

O.G. 86-14	1201 34th Street, N. W. Louis G. Heon	Enclose side yard of former Cellar Door

ACTION: Recommend issuance of permit for proposed side yard enclosure including new entrance door, sky-lighted, permanent roof, and restoration of second floor porch.

O.G. 86-17	1521 35th Street, N. W. Togu Julu	Rear addition

ACTION: Recommend issuance of permit for the proposed gallery and one story kitchen additions to rear of existing residence. The Commission notes that proposed work does not entail a curb-cut and that no changes to the street front and grounds are intended.

APPENDIX I

REPORT OF ACTIONS TAKEN UNDER THE OLD GEORGETOWN ACT

Staff Recommendations as delegated by Old Georgetown Board.

O.G. 86-06 3600 -3672 Winfield Lane, N. W. New Townhouses
The Cloisters

ACTION: Recommend issuance of permit for proposed new townhouses as shown on supplemental drawings received and dated 4 November 1985.

O.G. 86-07 3600-3644 Reservoir Road, N. W. New Townhouses
The Cloisters

ACTION: Recommend issuance of permit for proposed new townhouses as shown on supplemental drawings received and dated 4 November 1985.

APPENDIX II

ACTIONS RECOMMENDED BY STAFF UNDER THE SHIPSTEAD-LUCE ACT

NO.	ADDRESS AND OWNER	PROJECT
S.L. 85-92	2121 Park Road, N.W. John D. Rockefeller, IV	Property wall and gates

ACTION: Recommend issuance of permit for proposed brick and stone property walls and entrance piers with iron gates.

* S.L. 85-105	5401 16th Street, N.W. Buddhist Congregational Church of America	Final plans for a church building

ACTION: No objection to the issuance of a permit for the proposed pre-fabricated church building only. Request submission of proposed landscaping, property fences and walls, parking facilities, and most especially, the entrance gateway from Sixteenth Street, when applicants are ready to proceed on this phase.

* S.L. 85-107	2215 Constitution Avenue, N.W. American Pharmaceutical Association	Roof deck

ACTION: No objection to issuance of permit. Proposed roof deck will not be visible from public space.

* S.L. 85-108	2215 Constitution Avenue, N.W. American Pharmaceutical Association	Relandscaping, new terraces, curb-cut: Conceptual

ACTION: Recommend against concept of curb-cut at Constitution Avenue. No objections to proposed design concepts for terraces and restoration of landscaping. Submit final plans and materials for approval of CFA prior to issuance of permit.

APPENDIX II

ACTIONS RECOMMENDED BY STAFF UNDER THE SHIPSTEAD-LUCE ACT

NO.	ADDRESS AND OWNER	PROJECT
* S.L. 85-110	2301 N Street, N.W. Boston Properties	New office and apartment buildings: Conceptual

ACTION: No objection to concept of multi-use development. However, proposed siting, bulk and character should be restudied. Xerox copies of the transcript have been sent to the developer and the architect.

S.L. 85-115	2401 M Street, N.W. Westin Hotel	Awnings

ACTION: No objection to issuance of permit for canvas-covered steel frame awnings as proposed in submitted application received and dated 17 September 1985.

S.L. 86-7	2121 Park Road, N.W. John D. Rockefeller, IV	Garden terraces and entrance court

ACTION: Recommend issuance of permit for proposed masonry and stone garden terraces and entrance court.

S.L. 86-8	1776 D Street, N.W. DAR	New service door

ACTION: Recommend issuance of permit for replacement of existing service door with window and existing window with new service door. New materials and details will match existing.

S.L. 86-14	51 Louisiana Avenue, N.W. Louis G. Heon	New side entrance

ACTION: Recommend issuance of permit for new side entrance and stair. Proposed work will match existing materials and details as shown on drawings received and dated 1 November 1985.

APPENDIX II

ACTIONS RECOMMENDED BY STAFF UNDER THE SHIPSTEAD-LUCE ACT

NO.	ADDRESS AND OWNER	PROJECT
S.L. 86-15	4th & F street, N.W. (The Dubliner)	Removable entrance vestibule

ACTION: Recommend issuance of permit for removable, wood and glass vestibule as shown on drawings received and dated 1 November 1985.

THE COMMISSION OF FINE ARTS

ESTABLISHED · BY · CONGRESS · MAY · 17, 1910
708 JACKSON PLACE, N.W.
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MEETING OF THE COMMISSION OF FINE ARTS

December 11, 1985

AM 10:00 CONVENE, 708 Jackson Place, N. W., Washington, D. C.

I. ADMINISTRATION

A. Administration of Oath of Office for new member: Neil H. Porterfield

B. Dates of next meetings: January 15, 1986 (Wednesday)

February 20, 1986 (Thursday)

March 20, 1986 (Thursday)

C. Minutes of the November 13, 1985 meeting of the Commission

II. SUBMISSION AND REVIEWS

A. National Arboretum

CFA 11/DEC/85-1, Designs for erection of columns originally on the U. S. Capitol Building within the grounds of the National Arboretum.

B. District of Columbia Department of Consumer and Regulatory Affairs

Shipstead-Luce Act

1. S.L. 86-22, 441 4th Street, N. W., Judiciary Square, preliminary designs for a new office building.
2. S.L. 86- , 1331 Pennsylvania Avenue, N. W. proposed rooftop satellite dish antenna.
3. Appendix I. Review of Staff recommendations.

II. SUBMISSIONS AND REVIEWS CONTINUED, December 11, 1985

Old Georgetown Act

1. O.G. 86-15, 1024 Wisconsin Avenue, N. W. new apartment/office building, concept designs, and proposed demolition of existing apartment building.
2. O.G. 86-30, 1001 34th Street, N. W., revised conceptual designs for new office/residential structure.
3. O.G. 86-31, 3700 O Street, N. W., Georgetown University. Revisions to previously approved designs for new academic center in the middle of the campus.
4. O.G. 86-34, 3200 S Street, N. W., proposed new garden structure, design concept.
5. O.G. 86-35, 3600 M Street, N. W., rooftop additions and renovations to "The Car Barn."
6. O.G. 86-36, 3608 Reservoir Road, N. W., raze existing residence, now being used for a real estate development sales office.
7. Appendix II. Review of Old Georgetown Board recommendations.

C. Department of the Treasury, U. S. Mint

CFA 11/DEC/85-2, Lady Bird Johnson Medal, resubmission. Plaster model of obverse and four new designs for reverse.

D. Pennsylvania Avenue Development Corporation

CFA 11/DEC/85-3, Market Square retail/office/residential project, 8th Street and Pennsylvania Avenue, N. W., concept designs.

Freer Gallery of Art

Object for acquisition, December 26, 1985: see note, page 13 of minutes.

APPENDIX I

ACTIONS RECOMMENDED BY STAFF UNDER THE SHIPSTEAD-LUCE ACT

NO.	ADDRESS AND OWNER	PROJECT
S.L. 86-23	30 Ivy Street, S. E. National Democratic Club	Landscaping

ACTION: No objection to issuance of permit for proposed landscaping as shown on drawings received and dated 29 November 1985.

S.L. 86-25	701 Pennsylvania Avenue,N.W. Market Square	Construction sign

ACTION: No objection to the issuance of a permit for proposed temporary painted metal construction sign. Sign should be no larger than 6 feet by 9 feet and must be removed by 1 April 1989.

S.L. 86-26	801 Pennsylvania Avenue, N.W. Market Square	Construction sign

ACTION: No objection to the issuance of a permit for proposed temporary painted metal construction sign. Sign should be no larger than 6 feet by 9 feet and must be removed by 1 April 1989.

APPENDIX II

REPORT OF ACTIONS TAKEN UNDER THE OLD GEORGETOWN ACT

NO.	ADDRESS AND OWNER	PROJECT
O.G. 85-287	3269 M Street, N. W. Players of Georgetown	Storefront renovation

ACTION: Recommend additional study retaining more of the existing features and character of the building. Designs, as proposed for replacement of the existing shop front with a "high-tech," all-glass front, are not appropriate to the building nor the character of the historic District.

O.G. 86-11	1305 Wisconsin Avenue, N. W. Capital Management & Development Corporation	Addition and store renovations

ACTION: No objection to the issuance of a permit for proposed alterations, as shown on supplemental drawings received and dated 27 November 1985. The Commission notes that the design proposed incorporates a system which opens the ground floor to the sidewalk. While this seems appropriate for restaurant use, such a system may not be appropriate elsewhere. Recommend preparation of sample color panel on site for approval of Commission.

O.G. 86-18	3145 Dumbarton Street, N. W. Stacy Lloyd	Alteration to historic structure: Conceptual

ACTION: No objection to concept of applying a bay window unit as replacement for double-hung window, provided that masonry of existing opening remains undamaged to allow possible future restoration of original window. Recommend modification of proposed new stoop so that full-height railing will have only one break. Sign will be submitted under separate application.

REPORT OF ACTIONS TAKEN UNDER THE OLD GEORGETOWN ACT

NO.	ADDRESS AND OWNER	PROJECT
O.G. 86-19	3050 P Street, N. W. Livingston Biddle	Renovations, additions and new entrance stoop: Conceptual

ACTION: General concept is not acceptable. Request retention and repair of existing stoop, utilizing wood balusters, railings, newels, treads and lattice on a masonry base. Further recommend retention of third floor decorative window grilles. In regard to the back renovations and additions, it is recommended that a new design incorporate more wood (less metal) in a scheme more complementary to the age of the existing house and more consistent in style.

O.G. 86-20	1619 35th Street, N. W. Jerome Kurtz	Renovation to back of residence

ACTION: Recommend issuance of permit for proposed removal of existing chimney and proposed renovation work as shown on drawings received and dated 15 November 1985.

O.G. 86-24	1054 31st Street, N. W. Canal Square Association	Loggia enclosure for new stores: Conceptual

ACTION: No objection to the concept of enclosing existing loggia bays for store windows. It is understood that entrances to proposed new stores will occur off the alley and within Canal Square itself. Submit design development for review when ready.

O.G. 86-25	3047 N Street, N. W. Ditadde	Replace 2nd floor window

ACTION: Do not recommend issuance of permit based on submitted material. No objection to the concept of changing the existing window design. However, recommend that both second and third floor windows be replaced with a unified oriel window designed specifically for the existing residence.

APPENDIX II

REPORT OF ACTIONS RECOMMENDED BY THE OLD GEORGETOWN BOARD

NO.	ADDRESS AND OWNER	PROJECT
O.G. 86-26	3120 M Street, N. W. Corinne H. Martin	Alterations to building

ACTION: No objection to the issuance of a permit for renovations to commercial building as shown on drawings received and dated 29 November 1985. Approval applies to sign as submitted.

O.G. 86-27	3415 M Street, N. W. Samuel M. Levy and John Snyder	Signs

ACTION: Do not recommend issuance of permit. Material submitted is inadequate for review. In addition, proposed signs exceed 25 square foot maximum and, in violation of permitted sign content, list services and goods.

O.G. 86-28	3106 N Street, N. W. Gerald and Ellen Sigal	Alterations to residence

ACTION: No objection to the issuance of permit for alterations and third floor addition to rear of residence as shown on drawings received and dated 29 November 1985.

O.G. 86-29	3029 M Street, N. W. Fred Maroon	Change to approved sign

ACTION: No objection to the issuance of permit which supersedes previously approved sign for same location. Present sign will have neon back-lighted, painted aluminum letters mounted to wood panel and attached to storefront cornice as shown on drawings received and dated 27 November 1985.

APPENDIX II

REPORT OF ACTIONS RECOMMENDED BY THE OLD GEORGETOWN BOARD

NO.	ADDRESS AND OWNER	PROJECT
O.G. 86-32	1323-25 Wisconsin Avenue, N. W. Samuel Snyder and John Snyder	New awning cover

ACTION: No objection to the issuance of a permit to recover existing metal awning structure with new rust-colored canvas. Applicant has agreed to incorporate sign text onto straight-line valance.

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MEETING OF THE COMMISSION OF FINE ARTS

January 15, 1986

AM 10:00 CONVENE, 708 Jackson Place, N. W., Washington, D. C.

I. ADMINISTRATION

A. Approval of minutes for: November 13, 1985
December 11, 1985

B. Dates of next meetings: February 20, 1986
March 13, 1986

II. SUBMISSION AND REVIEWS

A. Department of the Army, Office of the Chief of Engineers

CFA 15/JAN/86-1, Arlington National Cemetery Visitors Center, further studies of landscaping around parking facility.

B. National Park Service, National Capital Region

1. CFA 15/JAN/86-2, Washington Monument lighting studies.
2. CFA 15/JAN/86-3, Federal Reserve Board, temporary placement of sculpture on federal reservation at Virginia Avenue and 21st Street.

C. Department of the Navy, Naval Facilities Engineering Command: Washington Navy Yard

1. CFA 15/JAN/86-4, design for renovation of Building #111. Construction drawings.

II. SUBMISSIONS AND REVIEWS CONTINUED, January 15, 1986

2. CFA 15/JAN/86-5, design for new parking structure. Construction drawings.

D. Pennsylvania Avenue Development Corporation

CFA 15/JAN/86-6, The Willard Hotel, design for new marquee. Finished design.

E. District of Columbia Government, Department of Consumer and Regulatory Affairs

Shipstead-Luce Act

1. S.L. 86-52, 901 D Street, S. W., new office building, (Aerospace). Concept design; further studies.
2. S.L. 86-56, 1426 H Street, N. W., new office building. Site presently occupied by Woodward Building (ca.1911) which will be demolished. Facade of first two floors to be retained. Concept design.
3. S.L. 86-57, 425 2nd Street, N. E., National Republican Senatorial Headquarters. Construction drawings.
4. S.L. 86-60, 441 4th Street, N. W., new office building. Revised concept designs.
5. S.L. 86-58, 750 17th Street, N. W., new office building. Concept design.
6. American Pharmaceutical Association, 2215 Constitution Avenue, N. W.
    - a. S.L. 86-49, renovations, new landscaping, signs and lighting. Construction drawings.
    - b. S.L. 86-50, new curb cut and parking on Constitution Avenue, N. W. Construction drawings.
7. S.L. 86-34, 2121 Park Road, N. W., new 2-story garage. Review of construction drawings.

II. SUBMISSIONS AND REVIEWS CONTINUED, January 15, 1986

8. S.L. 86-35, 900 Water Street, S. W., Phillips Flagship Restaurant. Review of illuminated signs.

9. S.L. 86-59, 400 New Jersey Avenue, N. W., Washington Hyatt Regency, new enclosed swimming pool. Concept design.

10. S.L. 86-54, 7960 West Beach Drive, N. W., new 2-story single family residence. Concept design.

11. S.L. 86-51, 1331 Pennsylvania Avenue, N. W., satellite dish installation.

12. Appendix I. Review of staff recommendations.

Old Georgetown Act

1. O.G. 86-33, 3246 S Street, N. W., new residence. Concept design.

2. O.G. 86-48, 1643 34th Street, N. W., review of renovations and addition of third floor constructed without permit.

3. Appendix II. Review of Old Georgetown Board recommendations.

F. Commission on the Bicentennial of the U. S. Constitution

Preliminary planning for commemorative events which will extend from September 1987 to September 1989.

APPENDIX I

ACTIONS RECOMMENDED BY STAFF UNDER THE SHIPSTEAD-LUCE ACT

NO.	ADDRESS AND OWNER	PROJECT
S.L. 86-52	901 D Street, S. W. D. K. Patton	Aerospace

ACTION: Concept design is approved subject to review and approval of working drawings and material selection by the Commission of Fine Arts. Note is made that of the alternative materials proposed for the base of the building a black mottled granite was strongly recommended.

S.L. 86-56	1426 H Street, N. W. S. J. G. Properties	Woodward Building

ACTION: The demolition proposed as a part of this project is not within the purview of the Commission of Fine Arts, though note is made that the existing structure is in a historic district and that the matter will be reviewed by the District of Columbia Government. If there is no objection to the proposed razing on the part of preservation authorities, the Commission of Fine Arts, in turn, has no objection to the design for the proposed replacement building. If and when detailed studies of a replacement building go forward, additional study is recommended to more clearly articulate the set-back of the east section of the H Street facade and the upper mid portion of the 15th Street facade. Additional refinement to avoid heaviness of the upper cornice and paired columns is also recommended.

S.L. 86-57	425 2nd Street, N. E.	Senatorial Headquarters

ACTION: No objection to issuance of permit for construction of new office building. The Italian granite and French limestone on file with the Commission of Fine Arts are preferred.

S.L. 86-58	750 17th Street, N. W. Manufacturers Life Insurance Company	New office building

ACTION: Concept approved for design development. Recommend careful study of ground floor to create street-level interest and amenities.

APPENDIX I

ACTIONS RECOMMENDED BY STAFF UNDER THE SHIPSTEAD-LUCE ACT

NO.	ADDRESS AND OWNER	PROJECT
S.L. 86-49	2215 Constitution Avenue American Pharmaceutical Association	Renovation, landscaping and lighting

ACTION: No objection to issuance of permit for the proposed renovation, relandscaping and lighting as shown on drawings received and dated 30 December 1985. Note that proposal for lighting poles or standards has been withdrawn and that this application does not include sign(s) or curb cut.

S.L. 86-50	2215 Constitution Avenue American Pharmaceutical Association	Sign and curb cut

ACTION: Recommend against issuance of permit. Sign as submitted is too large, consists of materials incompatible with building and is located at an unacceptable orientation to the Avenue. Proposed curb cut is incompatible with the special character and monumental surroundings of Constitution Avenue. (See letter to Carol Thompson dated 4 February 1986.)

S.L. 86-34	2121 Park Road Senator and Mrs. J. D. Rockefeller, IV	New garage

ACTION: No objection to issuance of permit for construction of new garage complex.

S.L. 86-35	900 Water Street, S. W. Phillips Flagship	Phillips

ACTION: No objection to issuance of permit for proposed illuminated "Phillips" sign, provided that designated lighting is white. No objection to installation of wall-mounted, backlighted crabs. Red neon is not approved.

APPENDIX I

ACTIONS RECOMMENDED BY STAFF UNDER THE SHIPSTEAD-LUCE ACT

NO.	ADDRESS AND OWNER	PROJECT
S.L. 86-59	400 New Jersey Avenue Washington Hyatt Regency	New enclosed swimming pool

ACTION: Concept approved for design development of alternate scheme showing decorative exhaust stacks each accentuated by a flaired funnel opening curved 90 degrees to the vertical (in the manner of a nautical vent).

S.L. 86-54	7960 West Beach Drive, N. W. Glenn & Roanne Strahs	New house

ACTION: See letter to Carol Thompson dated 4 February 1986.

S.L. 86-51	1331 Pennsylvania Avenue, N. W. American Satellite Company	Satellite dish

ACTION: No objection to issuance of permit for satellite dish installation screened as proposed to minimize visibility from all directions. Note that sight-line studies were submitted indicating minimal visibility from public pedestrian space in the vicinity of the installation.

S.L. 86-60	441 4th Street, N. W. Peter Schwartz Judiciary Square	New office building: Conceptual

ACTION: Concept is not approved for design development. (See letter to Carol Thompson dated 4 February 1986.)

REPORT OF ACTIONS RECOMMENDED BY THE OLD GEORGETOWN BOARD

NO.	ADDRESS AND OWNER	PROJECT
O.G. 86-33	3246 S Street, N. W. H. William Tanaka	New residence

ACTION: Concept design is approved for design development. Submit working, grading and landscape drawings for review and approval by the Commission of Fine Arts prior to issuance of building permit. Material samples and colors shall be submitted for approval prior to installation.

NO.	ADDRESS AND OWNER	PROJECT
O.G. 86-48	1643 34th Street, N. W. Hudai Yavalar	Third floor addition

ACTION: Recommend additional study to resolve design problems caused by overhanging roof and recessed dormer windows on third floor addition built without a permit and without review by the Commission of Fine Arts. (See letter to Carol Thompson dated 4 February 1986.)

THE COMMISSION OF FINE ARTS

ESTABLISHED BY CONGRESS MAY 17, 1910

J. CARTER BROWN, Chairman

CAROLYN J. DEAVER
ROY M. GOODMAN
FREDERICK E. HART
NEIL H. PORTERFIELD
PASCAL REGAN
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202-566-1066

MEETING OF THE COMMISSION OF FINE ARTS

February 21, 1986

AM 10:00 CONVENE, 708 Jackson Place, N. W., Washington, D. C.

I. ADMINISTRATION

A. Approval of January 15, 1986 minutes

B. Dates of next meetings:

13 March, 1986, 10:00 AM (Thursday)

17 April, 1986, 10:00 AM (Thursday)

C. Confirmation of Appointment of Peter Vercelli to a second term on the Commission's Georgetown Board

D. Memo on Sculpture Panels for FBI Building: Frederick Hart

II. SUBMISSIONS AND REVIEWS

A. National Park Service, National Capital Region

CFA 21/FEB/86-1, Washington Monument Visitors Facility, concept design.

B. Union Station Redevelopment Corporation

CFA 21/FEB/86-2, Union Station, First Street and Massachusetts Avenue, N. E., renovation briefing, (previous review, March 1985).

II. SUBMISSIONS AND REVIEWS CONTINUED, February 21, 1986

C. Pennsylvania Avenue Development Corporation

1. CFA 21/FEB/86-3, Chancery of Canada, final building plans, 501 Pennsylvania Avenue, N. W. (S.L. 86-65)

2. CFA 21/FEB/86-5, Willard Hotel, 14th and Pennsylvania Avenue, N. W., canopy mock-up inspection report, (previous review, January, 1986).

3. CFA 21/FEB/86-7, Evening Star Building, 11th and Pennsylvania Avenue, N. W., renovation and addition, concept design.

4. CFA 21/FEB/86-8, Washington Hotel, 15th and Pennsylvania Avenue, N. W., sidewalk cafe design.

D. Department of Army, Corps of Engineers

CFA 21/FEB/86-4, Arlington Cemetery, Visitors Center Parking Garage, revised concept design, and inspection report, (previous review, January, 1986).

E. District of Columbia Government, Department of Consumer and Regulatory Affairs

Old Georgetown Act

a. O.G. 86-76, 3300 M Street, N. W., new office/retail building, (previous, November 13, 1986, O.G. 85-280).

b. O.G. 86-70-71, 1625 and 1627 - 34th Street, N. W., renovation and additions, (two houses).

c. O.G. 86-47, 1222 - 28th Street, N. W., one story rear addition, (previous case, O.G. 85-100).

d. Appendix I. Review of Old Georgetown Board recommendations.

Shipstead-Luce Act

a. S.L. 86-67, 702-720 Fifth Street, N. W., new building for Group Health Association, concept design.

II. SUBMISSIONS AND REVIEWS CONTINUED, February 21, 1986

Shipstead-Luce Act (continued)

b. S.L. 86-72, 3007 Oregon Knolls Drive, N. W., new house.

c. S.L. 86-76, 441 - 4th Street, N. W., revised concept designs for new office building, (previous review, January 1986, S.L. 86-60).

d. S.L. 86-75, 698 Water Street, S. W., new restaurant building, Southwest Waterfront, final plans, (previous review, September 1982).

e. S.L. 86-62, 2121 Park Road, N. W., new indoor swimming pool, concept design.

f. Appendix II. Review of Staff recommendations.

F. National Academy of Sciences

CFA 21/FEB/86-9, 2101 Constitution Avenue, N. W., final plans for walkway to Einstein Memorial Statue area, (previous review, October 1985).

G. Department of the Army, Institute of Heraldry

CFA 21/FEB/86-10, Army Civilian Award for Humanitarian Service, design.

H. Department of the Treasury, U. S. Mint

CFA 21/FEB/86-6, Lady Bird Johnson Medal, resubmission of obverse, (previous review, December, 1985).

February 21, 1986 APPENDIX I

REPORT OF ACTIONS RECOMMENDED BY THE OLD GEORGETOWN BOARD

NO.	ADDRESS AND OWNER	PROJECT
O.G. 86-22 (See O.G. 85-92)	3800 Reservoir Road Georgetown University	New medical center

ACTION: No objection to the issuance of permit for the proposed new medical building as shown on drawings received and dated 6 February 1986. Working drawings conform to approved concept design. No objection to choice of exterior brick as it matches the existing building to the north, (Beldeu Brick 470-479A).

NO.	ADDRESS AND OWNER	PROJECT
O.G. 86-50	1267-1271 Wisconsin Avenue, N. W. The Gap	Renovation: Conceptual

ACTION: No objection to design as shown on concept supplemental drawings received and dated 23 January 1986 provided that north bay window be treated to match projecting bays facing Wisconsin Avenue.

NO.	ADDRESS AND OWNER	PROJECT
O.G. 86-53	3415 M Street, N. W. John Snyder, Jr.	Sign

ACTION: No objection to issuance of permit for painted lettering on existing wood sign panel only. Proposed additional lettering on a plastic background mounted over existing window glass in not acceptable.

NO.	ADDRESS AND OWNER	PROJECT
O.G. 86-54	1430 33rd Street, N. W. Mrs. Alexander Graham	Replace windows

ACTION: Do not recommend issuance of permit. Existing varied window types are original and in character with the history of the house and the historic district. Replacing all the windows with a uniform thermopane unit having false muntins is inappropriate to the character of the house and the historic district. Replacing wood operable shutters (blinds) is not recommended. See U. S. Department of Interior, Technical Preservation Services Division, Preservation Briefs: 9; The Repair of Historic Wooden Windows.

NO.	ADDRESS AND OWNER	PROJECT
O.G. 86-57 (See O.G. 86-9)	1313 Wisconsin Avenue, N. W. Gussini Shoes, Inc.	Storefront renovation

ACTION: No objection to issuance of permit for renovation shown on drawings received and dated 24 January 1986. Design submitted conforms to approved concept.

O.G. 86-58	1516 34th Street, N. W. John Richardson - N. Leake	Rear addition and sideyard gate: Conceptual

ACTION: No objection to design concept provided that proposed new entrance gate is intended only to screen existing curb cut and parking pad. As such, recommend gate consist of wood piers and solid wood panels with placement set back (with a reveal) from face of house. In addition, recommend careful re-study and simplification of pier caps. Other areas of study should include the height of the proposed chimney (which may not be sufficient for proper draft) and elimination of the window or recessed brick panel facing the street.

O.G. 86-59	1627 34th Street, N. W. 34th Street Association	Side and rear additions and renovations: Conceptual

ACTION: Submission superseded by O.G. 86-71.

O.G. 86-60	1625 34th Street, N. W. 34th Street Association	Side and rear additions and renovations: Conceptual

ACTION: Submission superseded by O.G. 86-70.

O.G. 86-61	1336 Wisconsin Avenue, N. W. Mrs. Field's Cookies	Awning-sign

ACTION: No objection to issuance of permit for an awning-sign as shown on drawing received and dated 24 January 1986.

February 21, 1986

APPENDIX I

NO.	ADDRESS AND OWNER	PROJECT
O.G. 86-64	1515 30th Street, N. W. Mrs. Jean Partridge	Air conditioning unit

ACTION: No objection to issuance of permit for the relocation of the rooftop air conditioning unit. Recommend erection of a sound shield or buffer screen to minimize noise for adjacent apartment dwellers.

O.G. 86-65	1254 Wisconsin Avenue, N. W. John Snyder	Exhaust duct

ACTION: Recommend against issuance of permit. Concept of breaking through and running up outer masonry wall of historic structure to run exhaust duct up to roof is not appropriate to the preservation of the historic district.

O.G. 86-66 (See O.G. 86-19)	3050 P Street, N. W. Livingston Biddle	Renovation of existing townhouse: Conceptual

ACTION: No objection to the concept design for the proposed rear alterations as shown on drawings received and dated 6 February 1986. However, concept design for new front stoop is not approved. Recommend that existing stoop be renovated.

O.G. 86-68 (See O.G. 86-15)	1024 Wisconsin Avenue, N. W. Peter N. G. Schwartz Companies	New building

ACTION: Submission received on information basis only. Recommendations or actions will be withheld pending District Government decision on issue of demolition of existing structure. Recommend submission of new case upon resolution of this matter.

O.G. 86-69	3043 P Street, N. W. J. K. Figge	Addition of dormers to existing residence: Conceptual

ACTION: No objection to the concept or general form of the proposed dormer windows. Recommend simplification of design by removing pilaster caps and "thinning" vertical elements.

February 21, 1986 APPENDIX II

ACTIONS RECOMMENDED BY STAFF UNDER SHIPSTEAD-LUCE ACT

NO.	ADDRESS AND OWNER	PROJECT
S.L. 86-66	412 South Capitol Street, S. E. Dyanne and Robert Branand	House renovation

ACTION: No objection to issuance of permit for house renovation. Proposed exterior changes will be minor and confined to rear of existing residence.

S.L. 86-68	1700 H Street, N. W. Metropolitan Club	Addition: Conceptual

ACTION: No objection to the concept of the proposed addition to the Metropolitan Club. Addition as shown in drawings received and dated 7 February 1986 will be set back from existing facade of two story west wing and have minimal impact on public view. Recommend refinement of details and submission of working drawings and material samples for review by Commission when ready.

S.L. 86-69	1920 G Street, N. W. United Church	Renovation

ACTION: Submission returned without comment as property is outside Shipstead-Luce Act boundaries.

S.L. 86-70	201 Massachusetts Avenue, N. E. 333 2nd Street, N. E.	Alterations, repair and awning: Conceptual

ACTION: No objection to the concept of renovation and alterations as shown on drawings received and dated 7 February 1986. Recommend final submission include sample of "Dryvit" veneer intended for exterior rustication. Further recommend that proposed awnings be submitted as a separate case, said case to include material and lettering samples.

NO.	ADDRESS AND OWNER	PROJECT
S.L. 86-71	2908 Cortland Place, N. W. Richard K. Jung and Janice K. Anderson	Dormer alteration

ACTION: No objection to issuance of permit for connecting the two existing dormers with the addition of a third window as in-fill. However, recommend that roof be standing seam metal as now exists for proper run-off and that facing wall panels be slate rather than painted wood for greater compatibility. Note changes to submitted drawing.

S.L. 86-73 (See S.L. 86-01)	500 H Street, N. W. Jud. Sq. Dev. Gp. Ltd. Partnership	New hotel

ACTION: No objection to issuance of permit for the revision to permit number B-310332. Revision entails replacing caststone arches with head and stretcher brick arches and removing the vertical muntins from the typical guest room windows.

S.L. 86-74	4 F Street, N. W. Daniel Coleman	Sidewalk cafe and new windows

ACTION: No objection to the issuance of permit for the proposed sidewalk cafe and new double-glazed wood windows with stained glass transom lights as shown in drawings received and dated 13 February 1986. Approval is given with understanding that sidewalk cafe will not be enclosed.

S.L. 86-77 (See S.L. 86-14)	51 Louisiana Avenue, N. W. Acacia Life	New entrance

ACTION: No objection to issuance of permit for the revision to permit number B-311962. Revision entails modification of proposed secondary entrance stair.

TUESDAY, FEBRUARY 17, 1986.

PENNSYLVANIA AVENUE DEVELOPMENT CORPORATION

WITNESSES

HENRY A. BERLINER, JR., CHAIRMAN
M.J. BRODIE, EXECUTIVE DIRECTOR
ALEXANDER K. MILIN, FINANCIAL MANAGER
ANNE P. HARTZELL, DIRECTOR, CORPORATE AFFAIRS

Mr. YATES. Next we have the PADC. This is the hearing on the budget for the Pennsylvania Avenue Development Corporation for fiscal year 1987. Appearing in support of the budget is Mr. Henry A. Berliner, Jr., Chairman; Mr. Brodie, Executive Director; and Mr. Milin, Financial Manager. Mr. Berliner, I am sure, has a statement that may be received for the record at this point.

I will be glad to hear what you have to say.

OPENING REMARKS

Mr. BERLINER. I would like to introduce Anne Hartzell, who comes to us from the National Gallery of Art, and she is our Director, Corporate Affairs.

Mr. Chairman, other than just the remarks already introduced, our total budget request is $6,211,000, of which the public development component is $3,774,000; salaries and expenses, $2,437,000. The public development request, the bulk of it, approximately three million, is for pedestrian lights and construction management relating to public improvement and engineering; also included is an amount of $750,000 to recover the economic value of the down-zoning of the Lansburgh building which will be offered for residential public competition development this year.

The salaries and expenses request is five percent more than last year, of which most is actually inherent in raises that are required, and the remainder has to do with the need for some additional office supplies and equipment.

We are not requesting any new budget authority for land acquisition, relying on earned revenues from land sales and leases.

One final point, there is a large area on Pennsylvania Avenue, on the south side, known as the Great Plaza site, that is now a parking lot right next to the District Building, and we would hope that the Congress would give some attention to the need for Federal office space over the next three or four years, and the possibility that one of our cabinet departments, such as Justice or Treasury, in all of the various locations, spread out through this city, might work with PADC to fill that parking lot. We believe that a new building there would be a fitting addition to Pennsylvania Avenue.

We have made proposals to GSA to try to activate some consideration in Government on that particular site, Mr. Chairman.

With that, I would be glad to answer your questions.

[The statement of Mr. Berliner follows:]

STATEMENT OF
HENRY A. BERLINER, JR., CHAIRMAN
PENNSYLVANIA AVENUE DEVELOPMENT CORPORATION

I am Henry A. Berliner, Jr., Chairman of the Pennsylvania Avenue Development Corporation. I am here today to testify in support of the Corporation's recently-submitted FY 1987 budget request, along with PADC's Executive Director M.J. Brodie, and Alexander Milin, Financial Manager. I would also like to briefly report to you on the progress of the Pennsylvania Avenue revitalization program in the past year and our expectations for the future.

The Corporation requests $6,211,000 in budget authority for FY 1987, consisting of $3,774,000 for public development purposes and $2,437,000 for salaries and administrative expenses. Additional borrowing authority for expected acquisition of land in FY 1987 is not being requested, because of the sufficiency of sale and lease revenues and carry-over borrowing authority for this purpose.

The FY 1987 Salaries and Expenses request of $2,437,000 will fund the payroll and administrative expenses of 37 employees, on an FTE basis. Two thirds of this budget is needed for direct and indirect salary costs, and the balance for office rent, supplies, equipment and various administrative services.

In FY 1987, funding for a full staff level of 37 employees is needed to respond to a workload which will include negotiating the sale or lease of PADC-owned properties; reviewing developer proposals for consistency with the Plan and appropriateness of design for the site; conducting financial and market feasibility studies for mixed-use projects (especially those including housing and historic preservation); managing the on-going construction of public improvements projects and contracting for new projects; relocating businesses displaced because of impending development on Corporation sites; preparing and reviewing contracts; scheduling public activities in the parks, plazas and other open spaces in the project area; and assisting developers in structuring affirmative action programs for their projects.

The Public Development component of the overall budget request is $3,774,000, and provides funding for both public improvements and a cost reimbursement for an earlier property purchase. Of the $3,774,000 sum, $3,024,000 is requested for public improvements and would be used to fabricate and install pedestrian-level light fixtures, along Pennsylvania Avenue, as well as pay for necessary construction management contracts. These lighting fixtures are a very important element of the lighting scheme approved for Pennsylvania Avenue. The other lighting elements (the high-mast poles and decorative lights at curb-side) are in place. The balance of the Public Development request, $750,000, would be used to reimburse the Land Acquisition fund for the economic loss incurred when PADC purchased the former Lansburgh's Department Store Building and evolved the development restrictions necessary to meet the Plan's goals; redevelopment is expected to occur in FY 1987.

The funding requested for Salaries and Expenses and Public Development will provide the Corporation with the minimum resources it needs to maintain steady progress toward its target completion date of 1992.

The emphasis of the Corporation in FY 1987 and in future years of the program will be the creation of a minimum of 1,200 residential dwelling units in a mixed-use neighborhood in the Market Square area. Progress toward that goal was made this past year with the completion of the design and various agreements between PADC and Avenue Associates, developers for the Market Square site where 225 housing units are expected. The start of construction of this multi-use office, retail, and residential project is scheduled for 1986. Previously committed for approximately 200 housing units is the second phase of the Westminster project; construction of the office portion is nearly complete, while the residential and hotel component is to begin construction during late 1986. Adding to this total of residential units will be the 225 the Corporation seeks to attract when it offers the Lansburgh's site for development in 1986. The board and staff are committed to making this most important objective of the Plan a reality, and in so doing create a community along Pennsylvania Avenue that will be an essential and enduring component of the nation's "Main Street."

In terms of progress realized since we last appeared before the Subcommittee, the continuing redevelopment of the Willard Hotel bears special mention. When this magnificant historic property opens for business this year, I know the public will be pleased by the developer's sensitivity in restoring the key elements of the interior to turn-of-the-century elegance. This past year's improvement of the Willard's exterior and construction of the architecturally-sympathetic office addition is already a source of pride for all who have been involved. Other noteworthy progress included substantial construction of the Cadillac Fairview office and retail project on Square 348; the beginning of major renovation of the Pennsylvania Building on Square 291; continuing construction progress of the Gallery Row project on Square 457, including the re-erection of historic facades once on this site; the start-up of construction of the southern and northern portions of the Park at Market Square, with the now fully-funded U.S. Navy Memorial Foundation as PADC's partner; and the dedication of a replica of a statue of Chief Justice John Marshall, completing John Marshall Park.

Opportunities for office, hotel, retail and housing development are continuing to bring developers to the Corporation's offices for discussions. One of our special roles in FY 1987 will not only be to encourage such expressions of interest, but also to work closely with developers in a creative private-public partnership that will meet all of the Plan's objectives. Your approval of the proposed budget for FY 1987 is critical for the Corporation to have the staff resources necessary to foster such mixed-use developments and to provide the public improvements that are the vital complement to private investment on Pennsylvania Avenue.

EFFECT OF GRAMM-RUDMAN

Mr. **Yates**. How does Gramm-Rudman affect your operations? You are getting more money than most of the other agencies.

Mr. **Berliner**. The number of positions that PADC could fill would be affected by $100,000.

The effect is to keep three vacated positions open during FY 1986. We have had these positions open, and we have functioned without them, but we would like to fill them. They include a historic preservation and development architect, a GS-12 position; a clerk typist; and a construction manager.

The Office of Management and Budget has agreed to allow these positions to be filled. However, if Gramm-Rudman is in effect, the $100,000 effect would be to delay that filling for another year.

Mr. **Yates**. What about the sidewalks?

Mr. **Berliner**. We have taken money from our public improvement budget and applied it to Market Square Park, and we would like the money restored for the sidewalks.

We can't tell you that it has to be done this year or next year, but the longer the project is delayed, we believe it will be more expensive for the Federal Government.

Mr. **Yates**. The reprogrammed money?

Mr. **Berliner**. Yes. With respect to Gramm-Rudman, the full effect of Gramm-Rudman would simply delay us, not prevent us, from completing anything that we have to do as of this time, as of this 1987 budget. Looking forward to the years 1989, 1990, 1991 and 1992, it is conceivable, if we were to follow the OMB outyear proposals for the PADC annual budget, we would not be able to complete our mission by 1992.

Mr. **Yates**. Is that your completion date?

Mr. **Berliner**. Yes, sir. That is when our authority expires.

Mr. **Yates**. How much do you contemplate you will need to complete your mission?

Mr. **Berliner**. We don't anticipate any additional land acquisition funds.

Mr. **Milin**. About $25 million. Our annual budget would be approximately five million a year for each year.

Mr. **Yates**. You don't anticipate any unusual expenses?

Mr. **Milin**. No, sir.

Mr. **Yates**. You want an additional $10,000 for travel, for out-of-town meetings.

Why do you think your travel is going to increase?

Mr. **Berliner**. As we get more successful, there are more people around the United States that want to know how we accomplished our mission, how we got the private and public sectors working together. We have even had interest expressed by foreign governments, and in response we produced a video tape made available to the U.S. Information Agency, which already has been shown in three countries.

We see more interest as we near completion. In the early years, there was not much of a story to tell, only plans, but now we have a completed story and to be able to spread that information, which the U.S. taxpayer has paid for, to other areas of the country, we feel may be in the public interest.

Mr. **Regula**. Wouldn't the groups that invite you want to pay your expenses if they are so interested?

Mr. **Berliner**. In almost all cases, they do, but it sometimes involves overtime for our staff, and other times we will have to ship equipment or documents, annual reports, and $10,000 is not a large amount of money, but it won't end the work of the corporation if it were to be eliminated.

Mr. **Yates**. Mr. Berliner, you want $60,000 for communication, utilities, and other charges. What is the $10,000 not detailed in the justification for?

Mr. **Milin**. Communication devices, telecommunication transmitters. We had rented one for a number of years, and it has fallen into disuse.

Mr. **Yates**. You will have to speak up.

Mr. **Milin**. We perhaps may have need for the rental of a word processor, before we make the decision as to whether or not to buy. We have rented equipment first, and then made a decision on the basis of our experience, so the extra $10,000 would be for miscellaneous equipment.

Mr. **Yates**. How did it play?

Mr. **Milin**. In the case of everything we have purchased thus far we were quite satisfied, and that includes copiers.

Mr. **Yates**. Is GAO going to conduct an audit?

Mr. **Berliner**. We always have an audit.

Mr. **Milin**. Annually the cost is $80,000.

Mr. **Yates**. Are they cheaper than a private firm?

Mr. **Milin**. Not at all. Our legislation calls for GAO to be the auditor.

Mr. **Yates**. Did you ever ask them to cut their fee?

Mr. **Milin**. Yes, we have.

Mr. **Yates**. Has GAO finished its audit?

Mr. **Berliner**. They are still in the process of completing their audit, sir.

Mr. **Yates**. Why do you want the money in 1987 then?

Mr. **Milin**. Even though GAO requires at the minimum an audit every three years, they hold out the possibility that they will be back in the intervening years. We are never sure we will see them in succeeding years——

Mr. **Yates**. You have the funding in your 1986 budget?

Mr. **Milin**. Yes, sir. We don't need it in 1987, if there is no audit scheduled in 1987. Given the possibility that GAO will be back in 1987 for an audit for that year, we would request it.

MARKET SQUARE PARK

Mr. **Yates**. Market Square. Has the Navy finished its fund raising effort?

Mr. **Berliner**. Up to the point of their actual expenditures. The total amount of Navy participation is $3.5 million, and they have raised so far $800,000 which has been spent, and $850,000 which is in cash which we presently have in our account, and there is a $1,650,000 in the form of binding letters of credit, so of the total of $3.4 million, the Navy has already given to us $1.8 million, which they have raised and, therefore, the balance still would need to be raised, although it is backed by letters of credit.

[COMMITTEE NOTE: Subsequent to PADC's testimony they notified the Committee that $800,000 has been spent, $880,000 is cash in their account, and $1,850,000 in the form of binding letters of credit resulting in a total of $3.5 million. The Navy has already given PADC $1.7 million which they have raised.]

Mr. YATES. Are the streets around Market Square going to be closed?

Mr. BERLINER. We will be working to close 8th Street. As far as Pennsylvania Avenue is concerned, there won't be any closings.

Mr. BRODIE. Within Market Square Park itself, the alleys have been closed, and that period has expired. The 30 legislative days wait preceedent to the closings should expire on the 8th Street and Market Street approaches.

Mr. YATES. When do you expect to complete the project?

Mr. BERLINER. The ultimate completion of the full Market Square Park project would be 1989 at the latest.

The park itself, we anticipate——

Mr. BRODIE. There are two phases. The main phase under construction now should be complete by the end of this year and we will then have to wait to complete the perimeter, until the private developer of the adjoining Market Square development project has finished a certain amount of work by the end of 1988 or 1989.

Mr. YATES. Do you still contemplate the same split between you and the Navy and the project?

Mr. BERLINER. Approximately. The total Navy contribution will now be up to $3.5 million, but about that same split, Mr. Chairman.

REPROGRAMMING

Mr. YATES. What about the Indiana Avenue roadway project.

Mr. BERLINER. As indicated in our letter dated November 15, 1985 we would like to have two million dollars restored in the fiscal year 1987 budget to meet the need for the Indiana Avenue roadway. We would like to have it restored in order that we can move ahead with the full Indiana Plaza.

Of course, some of the funds used for Market Square had been reprogrammed from historic preservation and we would like that money replaced, and also from relocation assistance, soon to be required for Square 457 and the Lansburgh site on Square 431, and the total amount is two million dollars.

OMB is aware the FY 1987 budget does not provide for recovery. However, they are aware of our practice of reprogramming other Public Development appropriations and they are aware this is the position we are taking with the committee.

Mr. YATES. This will come from reprogramming funds?

Mr. BERLINER. Up until now it has, but we would like those funds restored, and we filed a letter to you dated November 15, 1985.

[COMMITTEE NOTE: The November 15, 1985 letter request reprogramming funds for Market Square. There has been no official request to replenish the reprogrammed funds.]

Mr. **Yates**. What happens if we don't include the two million dollars?

Mr. **Berliner**. We would have to reprogram it from some other portion of our budget or put the project on hold.

FBI BUILDING

Mr. **Yates**. Do you have any responsibilities in connection with the remodeling of the FBI building?

Mr. **Berliner**. We have pressed in our meetings with Director Webster to soften the exterior image of the FBI Building, and we have made some progress through the use of these public kiosks, but we were able to negotiate that agreement with them. As far as the facades of the agreements being discussed, anything is an improvement over the present——

Mr. **Yates**. How about building a wall in front of it?

Mr. **Berliner**. We have no direct role in that process.

Mr. **Yates**. The sidewalks?

Mr. **Berliner**. They have been very cooperative. We have planted the willow trees, brick paving and the like, and those are in conformity with our plan.

PEDESTRAIN LIGHTS

Mr. **Yates**. Has the Commission of Fine Arts approved the design of the pedestrian lights for 1987?

Mr. **Berliner**. It has yet to go before them. The Chairman of that commission sits on our design committee and the lights have been specifically approved by the committee Mr. Brown and Mr. White, the Architect of the Capitol, sit both on the Commission as well as the Corporation Board, and the lights have passed their approval.

Mr. **Yates**. Would you put a breakdown of the $1.774 million requested for the pedestrian lights into the record?

[The information follows:]

COST OF PEDESTRAIN LIGHTS

The detailed design, fabrication, and installation of the pedestrain lights is projected to cost $1,774,000. Of this amount, approximately $74,000 will be spent for the preparation of detailed design and installation instructions, with the balance of $1.7 million spent for actual fabrication and installation.

Mr. **Yates**. Are lights going to be replaced in front of the FBI building?

Mr. **Berliner**. Yes. Originally the lights were not put up based upon the size of the trees. The trees have grown, so we will put new lights up.

OTHER PUBLIC DEVELOPMENT REQUESTS

Mr. **Yates**. Why do you want money in public development to replace the funds spent on land acquisition?

Mr. **Berliner**. It gives us the ability to reprogram, but restoring money where there has been a down-zoning or reprogramming is consistent with what has happened in the past. When we acquired the land in the Willard, there was a restoration of $5 million spent in the land acquisition fund, and, similarly, proportional amounts of land acquisition funds were restored in the Sears acquisition and Gallery Row acquisition, so it is consistent for us to ask to have these monies restored. Reprogramming of a kind takes place, but that is within our budgetary authority.

Mr. **Yates**. You don't want to absorb the loss in the land acquisition account?

Mr. **Berliner**. We would rather not and we have to show credibility to developers who look at the Avenue and want to make sure that the Corporation has the means to go forward with its commitments.

LANSBURGH BUILDING

Mr. **Yates**. When are you going to begin the redevelopment of the Lansburgh Building?

Mr. **Berliner**. We have a design competition prepared for approval at the next meeting of the Board. We would then put it out for competition throughout the country. Our Board meeting will take place in March.

Mr. **Yates**. You don't think it would be more appropriate to wait until you see what the actual loss will be?

Mr. **Berliner**. Given that the residential unit envelope is now defined, we can accurately arrive at what the amount is.

U.S. TREASURY BORROWING AUTHORITY

Mr. **Yates**. How much does the corporation have in loan authority?

Mr. **Berliner**. Currently available is $23 million. Our original loan authority was about $100 million.

Mr. **Yates**. What is the amount of accumulated revenues the corporation has earned to date?

Mr. **Berliner**. $48 million.

SQUARE DEVELOPMENT PROJECTS

Mr. **Yates**. When will the office building adjacent to the Willard Hotel open?

Mr. **Berliner**. Late spring of this year for the Willard office building with a late summer or early fall opening for the hotel.

Mr. **Yates**. What percentage of the office space is leased?

Mr. **Berliner**. Around 70 percent, Mr. Chairman.

Mr. **Yates**. What is the status of the construction of the glass canopy in front of the Willard?

Mr. **Brodie**. It has been designed and very handsomely, we believe. The Commission of Fine Arts had a preliminary look at it last time and asked us to do a small mock-up in view of making sure the vista is clear and we would anticipate their approval this month.

Mr. **Yates**. Do you have anything to do with the Hotel Washington?

Mr. **Berliner**. Yes. That is within our jurisdiction and certain historic preservation monies have been applied to restore the graffito on the exterior of that building.

Mr. **Yates**. Has the Department of Justice determined a date for terminating occupancy in the Evening Star Building?

Mr. **Berliner**. They have, and they have put the landlord on notice that they intend to vacate.

Mr. **Brodie**. This quarter.

Mr. **Yates**. Have you talked to the Secretary of the Interior about the Firemen's Building? Specifically, the rehabilitation of the building to ensure conformance with the Department of the Interior standards for rehabilitation—I guess I am really asking, have you come to any kind of an agreement on that yet?

Mr. **Berliner**. We have indicated that there is not any problem. They will receive all the credits that they are seeking from the Department.

Mr. **Yates**. Have you asked the developer to consider granting some historic preservation funds to restore the dome on the top of the building?

Mr. **Brodie**. We have discussed that with the developer, Mr. Chairman. It was a wonderful dome.

It is gone. It will require the expenditure of several hundred thousand dollars. The Board would have to approve it, and we would be delighted to have the developer participate on a quid pro quo basis to make that happen.

HOUSING

Mr. **Yates**. What is your projection of the number of housing units in the Pennsylvania Avenue corridor going to be?

Mr. **Berliner**. The eastern sector study called for 1200. I set a personal goal to restore the 300 units that were removed from the original plan objectives, so we believe, and we hope that we can protect 1500 units on Pennsylvania Avenue in the area within our jurisdiction.

We have tried to go further and beyond our jurisdiction to advise the District of Columbia, and other potential developers, that there are areas to the north of F Street and east of 9th beyond our jurisdiction which would allow up to 5600 additional units, and additional units in the area between our jurisdiction and Massachusetts Avenue, which if added up together you would produce a total of 10,000 units, creating the kind of neighborhood necessary.

Mr. **Yates**. Are you making any progress with the developers?

Mr. **Berliner**. Most of the developers want to see us get our project up first and going before they are ready to commit that kind of money.

CANADIAN CHANCERY

Mr. **Yates**. What is the status of the Canadian Chancery project?

Mr. **Berliner**. The project went out for bid. We understand a contractor has been selected. This announcement didn't come from the Canadian government, but a contractor put out a press release saying he had been selected so we have reason to believe it may be true, so consequently, they will go forward next month.

Mr. **Yates**. With ground-breaking?

Mr. **Berliner**. Yes, we would hope at some time while the Prime Minister is here there would be an opportunity for that.

Mr. Yates. Has a design been approved?

Mr. Berliner. Yes, it has.

Mr. Yates. A rather formidable building, isn't it?

Mr. Regula has some questions for the record.

BUDGET INCREASE

Mr. Regula. I just have one question. In this period of austerity, why would you ask for an increase?

Mr. Berliner. Personnel and staffing, we will be glad to work with whatever Congress gives us. If you want us to spend less money, we will work with it. If we do that, we may not be able to keep the schedules at the same budget price that you originally proposed for us and as long as that is Congress' will, we will be glad to work with that.

For example, if we follow OMB's budget plan for the out years, it will add about a half a million dollars through the additional time lost, causing perhaps three extra years to complete various missions that the Corporation has.

Mr. Regula. You would spend a little more, but save interest; maybe it is a tradeoff?

Mr. Berliner. The interest that we would save is more than offset by the inflationary increase of the cost of having to attract new developers.

There is a catalyst time in any kind of development, that if the development community gets the impression you are backing off from commitments to go forward with the parks, lighting, infrastructure, then they find other places to put their money. It can snowball.

Mr. Regula. Are your increases for infrastructure items or for people?

Mr. Berliner. The increase for the salaries and expenses budget, five percent, of which four percent of the five is inherent in the fact that we plan to have a full staff of 37 FTE employees and have people who now are entitled to in-grade increases, and the remaining amount of money, several thousands of dollars, have to do with buying word processing equipment, other things to make the Corporation more efficient, but those matters could be taken out of our budget without hurting the company.

Mr. Regula. We just had the United States Trade Representative over in the Commerce-State-Justice Subcommittee and he just said they were going to work a little harder.

Mr. Yates. They have to streamline.

Mr. Berliner. In the last two years, previous to this, we cut our salaries and expenses budget voluntarily, and we have always worked that way with the committee. Where we think we can make a saving, we come in and volunteer it.

Mr. Yates. The Washington Post said you were going to provide two fountains in front of the Archives. What is the status of that?

Mr. Brodie. Coming this spring; the pieces of cut granite are sitting out there and as soon as the weather breaks, the contractor will be fabricating them and the fountains will be turned on.

Mr. Yates. What do you estimate private investment on Pennsylvania Avenue to be, $1.3 billion?

Mr. **Berliner**. About a ten-to-one investment, $130 million in appropriations to $1.3 billion in private sector investment.

Mr. **Yates**. All right. We have some questions for the record. We will let you know, and Mr. Regula's questions may be made a part of the record.

[The information follows:]

House Subcommittee Hearing

Additional Questions

Question. In the FY 1986 budget there was no appropriation for transportation of things--funding to cover any needed shipment of equipment, furnishings or development materials. Why is it felt that $2,000 will be needed in FY 1987?

Answer. An amount of $2,000 is budgeted to provide for the possibility that development models or equipment may have to be transported at PADC expense. The Corporation has no certain indication at this time that these funds will be needed.

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Question. The FY 1987 request includes an additional $25,000 for the purchase of new equipment. Itemize what that equipment will consist of and the cost associated with each item.

Answer. The Corporation's present wordprocessing and data base management equipment has experienced an extreme rate of repair problems, with the result that documents are being produced late, which causes missed deadlines. PADC foresees a need to replace the central wordprocessing system during FY 1987. Based on the cost of the existing system, whose purchase was completed in 1981, a new system will cost approximately $45,000:

Existing System	FY 1981 Cost	Projected FY 1987 Cost
1 Free-standing CPU, Monitor and Keyboard, Printer 1 Central CPU, with 2 Printers, 3 Monitors, 3 Keyboards	$37,000	$45,000

The projected FY 1987 cost assumes a 3% annual increase in the cost of a replacement product. This equipment's data base will also serve as a repository for mailing lists and inventories of materials.

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Question. The FY 1987 justification states that the Corporation will be actively supporting a variety of private development efforts...that will contribute to the creation of housing. Explain this statement and what housing the Corporation anticipates being developed.

Answer. The Corporation continually receives inquiries from private individuals or companies interested in pursuing development. While some of these inquiries do not evolve into specific proposals for the Corporation's action, many do. Typically, those inquiries that result in serious development proposals incorporate the various objectives of the Plan: good urban design, uses that preserve historic buildings and provide housing units, good architectural design, and a sensitivity to including arts and theatre uses.

The Corporation tangibly supports development proposals contributing to the Plan's objectives through its land acquisition activity. Because housing is a key element of the land use program for the eastern project area, PADC will be most responsive to land acquisition requests of developers who emphasize housing in their projects. PADC anticipates that proposals for projects including housing will be forthcoming on Squares 431, 406, 470 and 457.

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Question. On September 30, 1985, Mr. Berliner participated in a Smithsonian Symposium, "Downtown DC: Eastward Ho!" At that time he stated that beyond PADC's maximum of 1,500 units, there exists the potential of 10,200 more housing units. Please explain where these additional units will be located. What role is PADC playing in persuading developers to include housing in this area?

Answer. Consistent with the District of Columbia Government's new master plan for the downtown area, which extends northward from the PADC project area, there exists the potential for 5,600 housing units in the area between the north PADC boundary line and Massachusetts Avenue. Additionally, in the area between Massachusetts Avenue and M Street, N.W., the potential exists for 4,600 more housing units.

In its many discussions with developers, PADC is able to point to the development opportunities which lie just outside, and especially to the north, of the PADC area. While achieving at least the minimum of the 1,200 housing unit total within the project area, PADC realizes that a far more viable neighborhood could be created by an extension of housing development and hopes to stimulate such involvement, particularly by the private development community.

Questions Submitted by Rep. Ralph Regula

Question. For the record, could you provide the job description for each of your 34 permanent employees?

Answer. Three of the 34 permanent employees are the designated officers of the board, whose duties and responsibilities are described in the Corporation's by-laws. These employees--the Executive Director, the General Counsel, and the Development Director--have no other, formal job descriptions. The 31 remaining permanent positions comprising the total permanent staff size of 34 each have detailed job descriptions consistent with Office of Personnel Management guidelines for written statements of duties and responsibilities; these 31 position descriptions are forwarded for your review, to supplement this response to the question asked.

In brief, the Corporation is staffed by the following permanent positions:

Executive Office
Executive Director
Public Affairs Specialist
Secretary
Development
Director of Development
Supervisory Realty Officer, Operations
Architect, Chief of Planning and Design
Architect, Historic Preservation
Program Manager (Relocation Property)
Project Manager
Chief Realty Manager
Appraiser, Project Manager
Appraiser, Project Manager
Secretary
Secretary

Public Improvements
Supervisory Civil Engineer
Contract Specialist
Construction Representative
Contract Specialist
Architect
Secretary
Legal
General Counsel
Attorney
Attorney
Attorney
Secretary
Finance and Administration
Director, Finance and Administration
Operating Accountant
Accountant
Budget Analyst
Chief Administrative Officer
Administrative Officer
Secretary
Clerk-Typist
Receptionist

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Question. You justify an increase in your personnel budget by saying this was the area that was reduced the most to achieve the $100,000 reduction resulting from the Gramm-Rudman sequestration. If every agency attempts to recoup in FY 1987 the reductions made in FY 1986, we will not achieve any true deficit reductions. How do you justify seeking to restore this cut?

Answer. The budget for Salaries and Expenses which PADC has requested is that which is necessary in FY 1987 to accomplish planned public development and square development work. While PADC can function with less, certain objectives would definitely be impaired: not all prosepctive developers seeking guidance and approval for their projects can receive the degree of attention each deserves; not all public improvements projects can go forward absent adequate supervisory staff; and not all ongoing development projects can receive the construction, legal, and financial oversight by the staff that is required based on our experience in complex urban development work.

The basis of the $2,437,000 Salaries and Expenses budget request is the need of the actual program at the FTE level approved by OMB, not the need to restore any reductions experienced in an earlier fiscal period.

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Question. Your supplies and materials budget is also up and you say a portion of this will be used to continue to subscribe to publications or newsletters. Could any of these be cut back?

Answer. Publications and newsletters constitute only a small portion of past expenditures in the supplies and materials category, and will continue to be so in FY 1987 and future years. Routine office supplies and materials would consume most of the funding requested for FY 1987.

PADC has projected a need for no more than $6,000 for publications, primarily updates to the law library needed to maintain an accurate basis for the legal determinations that must be made by our staff on a regular basis. Reductions to such a limited budget for publications would neither be material nor prudent.

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Question. Page 8 of your justification says you will be purchasing new wordprocessing equipment because it has been used for more than five years. Is this the standard amount of time one can expect to get out of this equipment? Would it be cheaper to lease this equipment?

Answer. PADC's request for funds to purchase replacement equipment is based directly upon our experience, in which there has been an increasing frequency in down-time for repair to existing equipment, not upon any "rule-of-thumb". Such down-time necessitated lease-purchasing a new copier machine recently, after six years of use.

It has been PADC's practice to lease administrative equipment, prior to purchasing it, under a lease-purchase agreement that allowed the application of lease payments to the purchase price of the equipment if the use experience justified exercise of the purchase option. PADC plans to lease any new wordprocessing equipment it may obtain, and only upon being satisfied with the equipment, will it then purchase it.

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Question. Your justification refers to experts hired for limited assignments. Could you give some examples of this? Is there any cap on the pay for these consultants?

Answer. Experts or consultants which PADC has employed on a salaried basis for a temporary period include a civil engineer with expertise in the design of urban public improvements, an architect with urban design expertise, and a real estate market and financial feasiblity consultant. Additionally, PADC periodically convenes a panel of consultants to select suitable professional firms for major public improvements projects.

The pay cap for such experts and consultants is the rate for a GS-18, although the employee could be paid at a lower rate if, in his past endeavors, he did not receive compensation for professional services at the rate of a GS-18.

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Question. Your budget justification on page 9 shows again that you are attempting to recoup the money lost to sequestration. What are you doing without as a result of sequestration and why not continue to do so?

Answer. The narrative on page 9 was written to explain the effect of the reduction of $139,000 in FY 1986 Public Develoment funds on the program's progress. A sidewalk improvement project planned with these funds would not be undertaken in unfortunate contrast to an adjoining new development or renovation project. While such deferral of necessary work is not desirable in terms of PADC's schedule of consistently improving public areas so as to encourage private investment, the work could not be done until funds are available in the future.

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Question. Last year you said that a reduction-in-force was anticipated if the Administration's proposed 5% pay cut was not approved. Did that RIF occur? If so, how many people were RIFed?

Answer. Planning for a reduction-in-force was curtailed after the Congress added $94,000 to the Corporation's Salaries and Expenses budget request for FY 1986 of $2,221,000. PADC had stated that a RIF would occur only if (1) the budget level submitted was approved and (2) the Administration's proposal to effect a 5% across-the-board pay reduction was not approved. Neither situation resulted, so that a RIF has not proved necessary.

However, as a result of the Gramm-Rudman sequestration of funds--$100,000 in the case of the Corporation's Salaries and Expenses appropriation for FY 1986--PADC has had to consider whether a RIF is nonetheless a possibility. In order to preclude a RIF action, PADC plans, instead, to hold open three vacant positions for the balance of FY 1986.

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Question. Last year in response to a question I submitted for the record concerning sidewalk development, you responded that developers did not contribute anything to sidewalk development. Why is this?

Answer. Developers of new structures or substantially rehabilitated structures are required under District of Columbia building regulations to repair or replace existing sidewalks with new sidewalks. Therefore, in these situations, developers do contribute to sidewalk improvement efforts in the project area.

However, where existing buildings remain, the very deteriorated sidewalks found in most areas north of Pennsylvania Avenue would remain. Were it not for PADC's sidewalk improvements program, new sidewalks would be mixed with deteriorated ones, producing a negative environment opposite of that needed to encourage private investment.

MONDAY, FEBRUARY 24, 1986.

NATIONAL GALLERY OF ART

WITNESSES

J. CARTER BROWN, DIRECTOR
JOHN WILMERDING, DEPUTY DIRECTOR
JOSEPH G. ENGLISH, ADMINISTRATOR
PHILIP C. JESSUP, JR., SECRETARY-GENERAL COUNSEL
DANIEL HERRICK, TREASURER
WILLIAM H. ROACHE, BUDGET OFFICER

INTRODUCTION

Mr. YATES. Now we have the National Gallery of Art, and we have our art expert, Mr. Regula, with us.

This is the appropriation for fiscal year 1987 for the National Gallery of Art, and appearing in support of that appropriation is the second Mr. Carter Brown, its director; John Wilmerding, its deputy director; and Mr. English, who is sitting back in the gallery; Mr. Jessup, its new lawyer; Mr. Herrick, the new treasurer; and Mr. Roache, the budget officer.

Mr. Brown's statement may be made part of the record at this point, and also as part of that statement we will add another statement which is entitled "The Effects of Gramm-Rudman-Hollings Reductions on the Fiscal Year 1986 Program."

[The statement of J. Carter Brown follows:]

NATIONAL GALLERY OF ART

Statement by Mr. J. Carter Brown, Director of the National Gallery of Art, to a Subcommittee of the Committee on Appropriations, United States House of Representatives, February 24, 1986

The National Gallery's federal funds budget request for fiscal year 1987 is $37,007,000--a net increase of $176,000 over the 1986 budget of $36,831,000. Comprising the total increases are: personnel compensation and benefits--$370,000; rents, communications and utilities--$394,000; special exhibitions program--$220,000; materials, supplies, services, travel and transportation--$162,000; printing and reproduction--$10,000. The increases are offset by the following: equipment decrease--($100,000) and repair, restoration and renovation decrease--($880,000). The budget includes 823 full-time permanent positions with an OMB limitation of 791 FTE (full-time equivalent) employment.

Attendance at the National Gallery has been at a high level in recent years. In fiscal year 1985 the attendance was 5,079,858. Attendance for the first four months of the current fiscal year has already reached 2.9 million. The primary reason for this upsurge in the number of visitors has been attributable to the enthusiasm of the public for our special exhibitions programs and continued interest in the East Building as well as renewed interest in the West Building with the opening of new galleries in the West Building that were opened with the popular Impressionism exhibit.

Our fiscal year 1987 federal funds budget request includes $2.4 million for the Repair, Restoration and Renovation of Buildings approved by OMB and included in the President's budget for fiscal 1987.

The 1987 federal funds budget request also includes $2,420,000 for our Special Exhibitions program.

In January 1983 and January 1986, we were able to realize the long-standing plan of making available to the public additional exhibition space in the West Building, made possible by the remodeling of the ground floor of the West Building with a combination of donated and appropriated funds, and the remodeling of the northeast corner of the main level of the West Building with appropriated funds. The net effect of this new construction was to increase our ability to show more of our permanent collection. In addition, we were able to fill the new spaces with borrowed exhibitions of art from this country and abroad.

Thirty-two percent ($370,000) of the total increases is associated with personnel compensation. This increase provides: $263,000 for mandatory within-grade and wage-board step increases; $186,000 for increase of 7 FTE employment workyears for full-time permanent positions; $250,000 decrease for the elimination of funding for 12 FTE employment workyears and additional overtime for extended hours and crowd control for Treasure Houses of Britain

Exhibition; $41,000 to restore reduction of base pay in FY 1986 budget for function C Protection; $63,000 for annualization of 5 new conservation positions; and $67,000 to recalculate pay for 2080 hours.

Thirty-four percent ($394,000) of the total increases is required for the increased costs of rents, communications and utilities. This amount consists of $302,000 to cover the increased costs of steam and electricity for all structures; and $92,000 to cover the increase of telephone and telegraph costs; $22,000 to cover the increased costs of postage; $5,000 to cover the increased costs of structural rental rates; and offset by a $27,000 decrease in word processor rental.

Nineteen percent ($220,000) of the total increases is requested in support of the Gallery's special exhibition program. This is to help catch up with inflation costs of exhibitions over the last several years, which has been rising at a faster rate than prices generally.

Fourteen percent ($162,000) of the total increases is needed to cover the increased costs as well as provide for additional quantities of materials, supplies and services, and travel and transportation in support of the basic Gallery operations. This amount consists of $31,000 for travel, $1,000 for transportation, $83,000 for services, and $47,000 for supplies and materials.

The final one percent ($10,000) of the total increases is for increased costs and additional quantities of information booklets, calendars of events, gallery leaflets, extension service catalogs and other printing.

Offsetting the above increases are decreases in equipment of $100,000, and decreases in the Repair, Restoration, and Renovation of Buildings program of $880,000.

NATIONAL GALLERY OF ART
EFFECTS OF GRAMM-RUDMAN-HOLLINGS REDUCTION ON FY 1986 PROGRAMS

In the current fiscal year, 1986, the 4.3% sequestering results in a total Gallery reduction of $1,584,000. However, $236,000 is attributable to Special Exhibitions and Renovation, both of which are no-year funds and hence can absorb the sequestering more easily than the remainder of the Gallery. Other sequestered cuts are as follows: Art Care -- $401,000; Building Operations and Maintenance -- $474,000; Protection/Security -- $294,000; General Administration -- $179,000.

Function A -- Art Care

The reduction for this activity is $401,000. The principal approaches to trimming in this area have been not to spend incremental funds appropriated for FY 1986 in several major areas; and, in addition, to cut back in smaller ways across a broad range of programs and activities.

Specifically, in the first category, we propose to cut in half the summer intern program from approximately twenty to ten fellows. This inflicts damage on a long-standing educational service of the Gallery to graduate-level students in art history nationally. It is a program which has regularly brought distinguished young students into museum and academic work, and in particular, provided the Gallery with future curators, lecturers, and exhibition projects.

Similarly, we will hold back on spending some of the new increase in conservation contracting money and all the new increase for conservation equipment, which will delay carrying out specialized work on new collections of art coming to the Gallery and on the demanding volume of research needed to publish the systematic catalogues of our collections. (For example, sophisticated monitoring equipment to analyze data on environmental controls cannot be acquired and put into needed use at this time, nor can the Gallery participate in a computer program designed to clarify visual images when paintings are being subjected to special study and analysis.)

In the personnel area, we hope to slow down all reappointments and filling of vacancies, a form of modified hiring freeze. More critical will be the foregoing until FY 1987 of filling four senior conservation positions just this year authorized by Congress.

The other major incremental project to be cut is library automation (EDP). While partial amounts have been granted in previous years, this year's appropriation was the first to make possible full implementation. By again deferring this expenditure of over $100,000 we may be confronted in future years with making even greater expenditures to accomplish this vital work. Without it, the impact will be continuing inefficiency and decreasing completeness of services in almost all aspects of our library's operations.

Less severe cutbacks will be applied to a wide cross-section of other essential supplies, services, and programs including the following individual lines: photo archives, slides, microfilm archives, new extension programs, replacement extension programs, conservation supplies, and audio visual supplies.

Function A -- Art Care (Special Exhibitions)

The special exhibitions budget would be reduced by $95,000. This would negate funds required to make up for inflationary erosion of purchasing power over the last several years and result in the cancellation of one or two small exhibits.

Function B -- Operations and Maintenance

The $474,000 reduction in this function will greatly impact on proper maintenance of plant and equipment during a year when newly opened galleries have been placed in service and record attendance is being experienced. Newly authorized positions will have to remain vacant and overtime to meet peak demands will be reduced. Maintenance equipment such as an unserviceable steam cleaner and a worn out sign engraving machine will probably not be replaced. The use of building operating supplies will have to be curtailed.

Fortunately, the merging this year of the former one-year Lands and Structures activity into the new Repairs, Restoration and Renovation of Buildings account and the carry forward of renovation funds from FY 1986 in the Salaries and Expenses account will give some latitude to take care of essential building and major plant repairs and maintenance, and serious deterioration of the basic facilities can be averted.

Repair, Restoration and Renovation of Buildings

The $141,000 reduction in repair, restoration and renovation of buildings may result in delaying some of the remodeling in both buildings or delay unforeseen building repairs.

Function C -- Security

The $294,000 curtailment will mainly be covered through the elimination of extended summer hours. Nevertheless, security forces are already spread thinly. The great popularity of two current exhibitions has strained the resources of the guard force. From time to time, certain gallaries have to be closed to meet the heavy attendance demand of popular exhibits.

Function D -- Administration

The $171,000 reduction in this function will necessitate elimination of the summer disadvantaged youth program and decrease incentive awards and training to include training for new supervisors. Data processing projects may be delayed. Postage and telephone usage will be restricted. This reduction occurs at a time when major exhibitions have placed added administrative burdens on the Gallery.

Mr. YATES. I take it you are talking about the 4.3 percent reduction there?

Mr. BROWN. That is right, Mr. Chairman.

Mr. YATES. Tell us about that. Will it be harmful?

Mr. BROWN. Well, we believe so, yes.

Mr. YATES. Before that, let me put Mr. Herrick's biography into the record. Did we put Mr. Jessup's biography in last year?

Mr. BROWN. Yes.

Mr. YATES. Mr. Herrick's biography may go into the record.

[The information follows:]

DANIEL HERRICK

Treasurer of the National Gallery of Art, December 1, 1985 to present.

Experience: Vice President for Finance, 1968 to 1985 The Metropolitan Museum of Art New York, New York.

Mr. Herrick was responsible for financial operations (operating budget of $93 million) under the direction of the President and Board of Trustees. He prepared the budget, supervised management systems and published the report of yearly financial results. Mr. Herrick worked with city, state and federal officials on Museum matters. Abroad he assisted in negotiations for Tutankhamun, Vatican and India exhibitions. Mr. Herrick was closely involved in the establishment in 1975 of a U.S. government program of indemnifying international exhibitions of works of art. More recently, Mr. Herrick was a central figure in arranging a $45 million tax-exempt bond issue to help finance the Museum's construction program.

Assistant Vice President, 1962 to 1968 W. R. Grace & Co.

As Assistant to the Executive Vice President for Finance, he analyzed proposed corporate acquisitions and recruited financial personnel.

Officer of the Supply Corps, 1942 to 1962 U.S. Navy.

Beginning with duty aboard a destroyer in World War II, he was assigned to various stations ashore and afloat. He was stationed in the Navy department's Bureau of Supplies and Accounts from 1949 to 1953 during which time he also served as an Aide at the White House. He was the Chief Financial Officer of the Naval Weapons Station, Yorktown, Virginia before retiring with the rank of Commander, Supply Corps, USN.

Education: University of Virginia, B.A. Harvard Business School, M.B.A.

Board of Directors: Chairman, the Foundation Center, New York, NY New York Life Fund, New York, NY.

Resident of Washington, D.C.

Mr. BROWN. Let me say how delighted we are having Mr. Herrick with us. He combines government experience and experience in art museums, and having trained at the Harvard Business School, he was the vice president of finance for 17 years at the Metropolitan Museum of Art. He was in on the ground floor of some of the indemnity discussions that led to that legislation and knows this field backwards and forwards.

Mr. YATES. I take it a treasurer doesn't have to be an art historian. Or, does he?

Mr. BROWN. It is not in the job description.

GRAMM-RUDMAN REDUCTIONS

Mr. YATES. Tell us about the effects of Gramm-Rudman that suddenly is raising up its claws and capturing 4.3 percent in funding from you.

Mr. BROWN. From what the public sees, I guess the first major effect will be the curtailment of our hours. We will have to cancel the summer hours.

Mr. YATES. What do you mean by cancelling the summer hours, in the evening?

Mr. **Brown**. Evening, yes.

Mr. **Yates**. How much will that save you?

Mr. **Brown**. $294,000.

Mr. **Yates**. What is the total of 4.3 percent represent, how much money?

Mr. **Brown**. $1.6 million.

Mr. **Yates**. $1.6 million, and roughly 20 percent of that would be evening hours. That actually would be less than 20 percent. Tell us about the rest.

Mr. **Brown**. It means that in the administrative side, we will eliminate the summer disadvantaged youth program.

Mr. **Yates**. Tell me the cost.

Mr. **Brown**. $171,000 will go to that, and to decreasing our incentive awards and training for guards.

Mr. **Yates**. Describe the disadvantaged youth program. What does this mean? What do you do for disadvantaged youth?

Mr. **Brown**. We give them an opportunity to work at the Gallery and get a sense of what we do.

Mr. **Yates**. What does that mean, you give them an opportunity to work at the Gallery? What jobs do you give them to do?

Mr. **Brown**. Mr. English could probably——

Mr. **Yates**. Do you hire disadvantaged youth?

Mr. **English**. For the summer, yes, Mr. Chairman.

Mr. **Yates**. What do they do for you?

Mr. **English**. We use them on our maintenance staff, our warehouse operations, various things over the years.

Mr. **Yates**. What is a disadvantaged youth? What kind of program are we talking about? Are we talking about retarded people, crippled people, what? Physically handicapped people?

Mr. **English**. This is an Office of Personnel Management program. There are certain needs criteria, which I can't give you off the top of my head.

Mr. **Yates**. Would you put it in the record, Mr. English?

Mr. **English**. Sure.

[The information follows:]

STAY-IN-SCHOOL PROGRAM

The Disadvantaged Youth Program is really a misnomer. The correct name is the Stay-in-School Program.

The Stay-in-School Program has as its major objective the employment of needy students, giving them a chance to work in the Federal agencies so that they can resume or continue their education without interruptions caused by financial pressures. The Stay-in-School Program is a program designed to benefit students who are in high school or who are continuing their education immediately after high school. Appointments are limited to one year or less, but students may be reappointed for additional periods. Students must be at least 16 years of age at the time of appointment. The District of Columbia Department of Employment Services determines that students meet the economic guidelines and certifies their eligibility for this program. The Gallery is not privy to these criteria. Students appointed under the Stay-in-School Program do not count against personnel ceilings. These students are paid at the minimum wage rate.

Student may work part-time, up to 20 hours per week, while school is in session, and are allowed to work full-time during vacation period, or whenever the school is officially closed.

Mr. **Yates**. I think that is an unfortunate reduction, an extremely unfortunate reduction. Go ahead, Mr. Brown.

SUMMER INTERM PROGRAM

Mr. **Brown**. In a similar vein, we would be forced to cut out half our summer intern program for the fellows who come here for the educational opportunities, learning how to be future curators, lecturers and people going into the museum field generally.

Mr. **Yates**. Who are these people, college students, post-college, or what?

Mr. **Brown**. Both. But these are people with some art history training who are trying to get their feet wet in the profession and make some career choices, and we would be able to keep half of them, we believe, but ten of the 20 would have to go.

Mr. **Yates**. What is the saving?

Mr. **Brown**. Overall in the art care section, $401,000. I don't think we have it broken down. $71,000 for the intern program.

Mr. **Yates**. That is two programs. That is the handicapped and this intern program. What else is represented in the 400,000?

CONSERVATION

Mr. **Brown**. Conservation is the major one that would be hit.

Mr. **Yates**. Really? We just put money in for the conservation program, didn't we?

Mr. **Brown**. Well, we did. It is again—the Lord giveth, and the Lord taketh away. As you remember, there are ten new positions that we had hoped to get last year, and in conference this was reduced to five; and now it looks that with Gramm-Rudman, of those five, we will actually be able to pay for only one.

Mr. **Yates**. How many do you have in your conservation department now?

Mr. **Brown**. I will supply the total number.

[The information follows:]

The total number of employees in the Conservation Department including full-time, part-time, temporary, and non-federal is 29.

Mr. **Yates**. Let me find out. How many people do you have working in conservation now?

Mr. **Roache**. On the Federal side, we have 30.

Mr. **Yates**. Thirty people?

Mr. **Roache**. I am not entirely sure.

Mr. **Yates**. What does it mean, Federal and nonfederal?

Mr. **Brown**. We have been able to raise some private funds to help us with this conservation crisis, if I might put it that way, and we do have the chief of the department being paid for from a permanent endowment we raised privately, and there are interns who come in that program that are from the private side.

Mr. **Yates**. How much do you save on that one?

Mr. **Brown**. For the main thrust, we are dependent on the Federal Government and the numbers of personnel.

Mr. **Yates**. Tell us what the four conservators you are not hiring are—what is the cost of that? The 1986 bill provided for five conservators, you are saying you are going to hire one, in addition.

Mr. **Brown**. That will bring us from 18 to 19.

Mr. **Yates**. How much money is involved in hiring four conservators?

Mr. **Roache**. The total funds originally appropriated, Mr. Chairman—$125,000.

Mr. **Yates**. For five conservators?

Mr. **Roache**. Yes.

Mr. **Yates**. That is $25,000 a conservator, so you are going to save $100,000. How urgent is this need?

Mr. **Brown**. We think it is increasingly urgent, because our first line of responsibility is the conservation of our collections. We have three pressures on the conservation department. First is naturally keeping ahead of the backlog of conserving our own collection. In addition, there are pressures from people who want to borrow our works of art, and, therefore, these will need treatment before they can go and enrich other museums on loan. Subsumed within that is this extraordinary body of material that we have available for the National Lending Service. We have this whole collection of Catlins, for example, which is of great interest to some of the communities in America that have American Indian connections. We have some 600 paintings. The majority of them are not in condition to be lent, so they are sitting there. If they can't get through this conservation bottleneck, they are not going to get lent out.

Then we get gifts, we have this extraordinary gift of Rothkos, as you know, which the Washington Post said was a $100 million gift.

Mr. **Yates**. How has that come upon conservation?

Mr. **Brown**. These are, many of them, in difficult physical shape, and we would have to increase the conservation care that we already need to give our smaller permanent collection when this large number of objects begins to come and it will begin to come this year.

Mr. **Yates**. In 1986 or 1987?

Mr. **Brown**. I think the first shipment will be this summer.

Mr. **Yates**. Are these oil or paper works?

Mr. **Brown**. Both. It is an extraordinary collection. This was the Rothko Foundation, his testament. And they decided to choose one institution to be the repository.

REPROGRAMMING LEGISLATION

Mr. **Yates**. Can you take this money out of somewhere else?

Mr. **Brown**. Under the Gramm-Rudman rules, we can't shift around within these categories.

Mr. **Yates**. Suppose you could shift around by legislative fiat. How would you do it?

Mr. **Brown**. We would study that, and I think we would be able to find ways.

Mr. **Yates**. Why don't you study it and come back to the committee and tell us. I think we would review it with that in mind.

Mr. **Regula**. We can reassign some priorities.

Mr. **Brown**. That would help us a lot, Mr. Chairman, if we had some cross line authority we could work out with you—

Mr. **Yates**. In other words, you have taken each item and cut it 4.3 percent.

Mr. **Brown**. Each area, each function.

Mr. **Yates**. I don't know why they can't come in and ask for authority to reprogram. Suppose you were to come in and ask for authority to reprogram so you retain your cut.

Mr. **Brown**. If we could save the same amount of money, we think we are in a position to see where these priorities are.

Mr. **Regula**. Let's try it. Bring us a reprogramming request.

Mr. **Yates**. Take a look at it, sure. I think, perhaps, as one who voted against Gramm-Rudman, I would still want to see whether it is possible for the agencies that are struggling with it to operate efficiently and economically.

Mr. **Regula**. It is common sense, if they can find savings elsewhere——

Mr. **Yates**. I don't associate Gramm-Rudman with common sense.

Mr. **Regula**. This is a bipartisan committee.

LIBRARY AUTOMATION PROGRAM

Mr. **Brown**. Another casualty under that art care side is the library automation program, which has been deferred year after year, and only makes the backlog worse, and, again, we feel there are cost savings to getting that machinery aboard now, so that we can take care of the control of this inventory and not put it off any longer. But you will see in our memo the various things, and I think what you are doing, you are handing the torch back to us to see if we can make some priority sense out of the cut.

Mr. **Yates**. I would think you did have priorities. What about your other costs? From what you have said so far, it sounds like you are cutting priorities, though.

Mr. **Brown**. Well, I am afraid, yes, you see we were fairly close to the bone when we started. Whatever comes out, comes out.

EXHIBITION REDUCTION

Mr. **Yates**. Are you going to have any problems with exhibitions as a result of Gramm-Rudman?

Mr. **Brown**. Yes. We may have to cut a couple. Already, we have given up the major exhibition of the summer, which was to have been the first time the great treasures from Berlin would have been lent in a focused way to illustrate their major strengths, which are the pillars of early northern art, Van Eyck, Van der Weyden, Durer and so forth, painting, sculpture and decorative arts and drawings.

It was a small show, but of superb quality. It just looked, in this budgetary atmosphere, there was no way we were going to be able to afford that this summer. We are hoping somehow to see if it can be rescheduled later, because all the work was done, the catalog was about to go to press, and—

Mr. **Yates**. Have you completed your statement of the impact of the 4.3 percent?

Mr. **Brown**. Yes.

GRAMM-RUDMAN EFFECT ON 1987 BUDGET

Mr. YATES. Well, now that is the impact of Gramm-Rudman on the 1986 budget. What would be the effect of Gramm-Rudman on the 1987 budget?

Mr. BROWN. Of course, much, much harder, and we haven't done the calculations for that, but that is when it really begins to hurt, but obviously, we are not alone.

Mr. REGULA. Will the chairman yield?

Mr. YATES. Sure.

Mr. REGULA. If I understand it correctly, the President's budget request was $37 million; is that right?

Mr. BROWN. Yes.

Mr. REGULA. So, they have already more than accommodated Gramm-Rudman in the President's request, which if we were to follow that, or with some realignment of priorities, would still stand at $3.7 million, and therefore, there would be no impact.

Mr. BROWN. Let me see if we both understand it the same way. As I understand it, what OMB, which cut our request to them back 9.5 percent——

Mr. REGULA. To $37 million.

Mr. BROWN. To $37 million, that is right. Which gave us actually on the numbers a slightly larger appropriation than the previous year, which works out to about one-half of 1 percent increase, in nominal dollars. In real dollars, even with inflation beautifully under control, as it has been recently, that is a net decrease of 2.5 or 3 percent or whatever it is——

Mr. REGULA. Let me stop you there.

Mr. BROWN. Beyond that, our point is, just to answer your question about Gramm-Rudman, therefore, the 4.3 percent comes down from that level, so that OMB hasn't compensated for the 4.3 cut in real dollars.

In fact, if we are behind in real dollars 3.5 percent over last year, then another 4.3 percent means we are behind 7.8 percent.

Mr. REGULA. You are using the 1986 before Gramm-Rudman——

Mr. BROWN. That is the base. Now, there was this additional cut that was mandatory, in December, and that was .6 percent, and so that has already come out.

Mr. REGULA. The one the chairman agreed to in the conference.

Mr. YATES. You know, actually, I should tell them the same thing I told the others the other day. My fury with OMB—Mr. Regula and I are struggling with the Senate in this conference trying to find a rational basis for agreement with them and still keep a decent budget for the agencies within our jurisdiction, and when we finally reached agreement with Mr. McClure on the budget and came back to the full conference on the continuing resolution, Senator Hatfield told the whole group assembled, while looking at us while he made the remark, "I am convinced by OMB," he said, "there will have to be another cut, and it will have to be another $50 million cut."

He looked at us, and we said, "Why are you looking at us?" He said, "Well, we think it can best come from Interior."

And so, we went back in the conference and we came back with this 6/10th of 1 percent cut, which we were told would obtain the approval of OMB.

Now, OMB comes back in addition to that, and has rescissions and deferrals and all kinds of additional cuts. So, I think we will remember that OMB is hypocritical in this, in addition to its other fine qualities.

Once you make a bargain with OMB, it is kind of like, okay, you have taken your cut, now we agree with that, now these are the additional cuts that have to be made. Well, you asked OMB for $40.843 million, and they cut you by $3.836 million; is that correct?

Mr. **Brown**. That is correct.

OMB EQUIPMENT REDUCTION

Mr. **Yates**. And I notice the largest cut was in equipment, $2.025 million. What equipment is covered by that amount?

Mr. **Brown**. The most important of it is the computerized handling of the environmental controls, as I understand it, which, again, will save the government money if we ever finally get it in there. It is just a question of when.

We have been asking for it for several years.

Mr. **Yates**. It will save money, but more important than that, will the computerized operation of conservation of your artifacts help you maintain the quality, the physical quality of those artifacts?

Mr. **Brown**. That is certainly crucial, yes.

Mr. **Regula**. Will the chairman yield?

Mr. **Yates**. Sure.

INFORMATION SYSTEMS PROGRAM

Mr. **Regula**. While you are on the topic of controls, I noticed in your budget justifications you discussed your information systems program, and it seems that IBM is the only vendor that is used.

Do you let your computer and data processing contracts competitively, and have you considered leasing as an alternative?

Mr. **Brown**. Well, we have shifted over because we got a better deal we thought than we had before with NCR.

Mr. **Regula**. To IBM.

Mr. **Brown**. That is right.

Mr. **Regula**. Do you actually put your contracts out for bid, or do you negotiate them?

Mr. **Brown**. I am not sure. This was done by Mr. Herrick's predecessor.

Mr. **Herrick**. I don't actually know.

Mr. **Regula**. It just seems to me—I notice in our office, we are probably going to get a new word processing system because the competition is so fierce and we have discovered we can save about $10,000 in our office account by going to another one——

Mr. **Brown**. In word processing, we have gone to other firms.

Mr. **Regula**. Leasing is a possible means of saving some additional money.

Thank you, Mr. Chairman.

Mr. YATES. Well, let's look down your list. How badly are you hurt by the $3.8 million cut that OMB gave you? $2 million you have explained. That is two-thirds of it. But here is a cut for personnel benefits of $583,000, transportation of things $100,000.

What is the transportation of things that is involved?

Mr. BROWN. That mainly is involved with the exhibition program.

NATIONAL SCULPTURE GARDEN

Mr. YATES. Where is the National Sculpture Garden to be?

Mr. BROWN. In the site immediately adjoining the original building, and across from the National Archives. It is on the cross axis Major L'Enfant envisioned going from the Hirshhorn up to the National Portrait Gallery and the National Museum of American Art.

There is that vacant site, phase one having been accomplished with the double ring of trees and the pool that is made into a skating rink in the winter.

Mr. YATES. Are you getting gifts for the Sculpture Garden?

Mr. BROWN. We hope to, and we are in negotiation for a very major one. If that goes through, we then feel that the Federal Government will get quite a bargain.

Mr. YATES. Can you tell us what the major one is, or is that a secret?

Mr. BROWN. I think we did—let me go off the record.

[Discussion off the record.]

Mr. BROWN. We can go back on the record.

When that shoe drops, Mr. Chairman, it will, of course, be an integral part of this negotiation to be able to say that the old principle of the partnership between the public and private sector still remains.

REVISED FINANCIAL REPORT

Mr. REGULA. I notice on page 9–8 of the budget, the comparison of Federal to nonfederal, the ratio is much higher, 3 to 1 Federal to nonfederal. It used to be as low as 1.5 of private to Federal, and it is constantly going the other way.

Mr. YATES. Obviously, they have seen the Smithsonian budget.

Mr. BROWN. Could I comment on that? Those are nonfederal monetary figures. As I understand it, they do not include art. That is not the equivalent cost. We don't carry on our balance sheet the value of our collections, and so what that represents is gifts of money and buildings, and of course, the ratio was tilted very much the other way during all those years we were constructing the East Building, totally at private expense.

That almost $100 million gift has now cycled through, and so that what you see now in the private side is gifts that have come in to buy works of art or to help with the exhibition program, but it is not counting the enormous gifts of works of art.

Now, we have a gift, just in the last couple of months, of paintings, sculpture, water color and prints that must total somewhere in the basic insurance valuation over $50 million. That would change that ratio if we reported it, but we don't.

So, I still think the government is getting a good deal.

Mr. **Regula**. Thank you.

Mr. **Yates**. Well, it is an interesting question, because we looked at the Federal portion of the budget, and the nonfederal portion. You move from $19 million last year in nonfederal—excuse me, in 1984 to $10 million for 1985—yes, you almost cut it in half.

Mr. **Brown**. I think our Treasurer can speak to that. These are apples and oranges, I am afraid—a new accounting system.

Mr. **Herrick**. We revised our system. There is a footnote on the top for 1985. And it essentially is—you could see we dropped out the profit and loss, gains and losses on sales of securities, but particularly on gifts for the purchase of works of art that Mr. Brown mentioned before.

They formerly were included on the income side for the nonfederal, and they are income, but not the day-to-day operations. What we have done here is to try to strip out other than the data of the operation of the Gallery, so the 1985 numbers on the nonfederal side are not consistent with what they have been in prior years.

The comparison of $10 million versus $19 million isn't a fair one.

Mr. **Brown**. They really go into a capital account, as it were.

Mr. **Herrick**. Indeed, if we had left them as in prior years, because of a major fund drive, the Gallery had to raise money to purchase works of art, it would tilt the other way substantially.

MUSIC PROGRAM

Mr. **Yates**. Okay. How about the music program? It was dropped in conference. Should the music program be fully funded with federal funds?

Mr. **Brown**. We believe so, Mr. Chairman.

Mr. **Yates**. You mean you have to face the music now?

Mr. **Brown**. It just seems that this would release funding for works of art. That is the one area—as you know, traditionally, we have divided labors and we have not had federal involvement.

Mr. **Yates**. How much money do you spend on your music program?

Mr. **Roache**. About $140,000.

Mr. **Brown**. About $140,000.

Mr. **Yates**. And the Federal Government is funding that?

Mr. **Roache**. The Federal Government isn't funding that. That is private funds.

Mr. **Brown**. The Federal Government pays the salary of the person in charge.

Mr. **Roache**. That is right, but the salaries of the people——

EXHIBITIONS PROGRAM

Mr. **Yates**. I should say in passing that I have never seen any museum—of course, I don't know all the museums, but I am terribly impressed with what you are doing at your museums now.

The exhibitions you have there, of course, are internationally, worldwide famous, the Impressionist show and the Treasure House's show, and you are coming up with another one soon.

Mr. **Brown**. The Winslow Homer show will be opening this week. And then we will be having treasures from the Soviet Museums in May. So, it is a very exciting time. And over the year, we had some very important shows, internationally, like the Festival of India.

And speaking of Indians, we had one of my favorite shows, about the Woodland Indians from the American past, which I think did a lot to sensitize people to how important that factor in our world is.

Mr. Regula. Mr. Chairman.

Mr. Yates. Mr. Regula.

EXHIBITION TICKETING SYSTEM

Mr. Regula. The proliferation of special shows is great, but I do think you have a pretty large number of them in a given period, and that might be a place for stretch-out, and there is a concomitant problem, and that is because of the restricted time you have gone to the ticket system in order to not get people bunched up.

I have a concern the ticket system tends to restrict the out-of-town people, because many of them come here without realizing there is this system, and under the assumption they can walk into the Gallery, and they are left high and dry.

So, it tends to focus the exhibits on the local community.

Mr. Brown. This is just the opposite of what we are trying to do. We keep a large body of tickets in the buildings on a first-come, first-served basis, just for that reason.

And, as a matter of fact, in the Impressionist show, the tickets, through the electronic ticketing system, were sold out very soon, and we didn't allocate any more to that, because we felt strongly about just your point.

Mr. Regula. The lines I saw down there were possibly out-of-towners standing in line to get the first-come, first-served——

Mr. Brown. I hope they are. We haven't done any analyses recently, but last summer, we took a survey of our visitors, and out of the 1500 people that came up to the information desk in one week, they came from all 50 states.

Mr. Regula. Was this a ticketed exhibit?

Mr. Brown. They were just the people in the building, but it was the same story. We have been studying a system that would help favor the out-of-towner by making reservations before he left town, so that he would know that he could get in and wouldn't be taking any chance at all.

We are still experimenting with these, with modern computers, and 800 telephone lines. We are hoping that we can favor the out-of-towners.

Mr. Regula. I hope you will, because I am concerned where you have a restricted time frame, and the number that tends to——

Mr. Brown. We are trying to make a special effort for anyone recommended by an office of Congress. We would like to get them to come at all costs.

1987 EXHIBITIONS

Mr. Yates. Let's look at your exhibitions for 1987. What do you have coming up in 1987?

Mr. Brown. Well, we have some very interesting shows, Mr. Chairman. We have the big Matisse show, which I think will be of extraordinary interest to people, because it is the——

Mr. Yates. When is that scheduled?

Mr. **Brown**. That is in the fall. And it is an aspect of Matisse that hasn't been generally looked at, and we also have an interesting Archipenko show, which we are doing in conjunction with the Tel Aviv Museum.

One of the great collections of Archipenko is in Israel.

Mr. **Yates**. Will it all be coming over?

Mr. **Brown**. Pretty much. And we will supplement it with other loans from around the country, but there is great interest currently in this 20th century sculptor.

The Georgia O'Keeffe show, also, we are very much looking forward to. It will be her 100th anniversary, and I hope she is still with us.

Mr. **Yates**. I hope she is indeed, and I hope one of these days, you are able to get a Georgia O'Keeffe.

Do you still lack a Georgia O'Keeffe? I know you have one on loan.

Mr. **Brown**. That is right. We are very hopeful. We have been working closely with her and with her executor, and we are very eager to shore up our holdings in that.

And the Prime Minister of Turkey was here, and we will have the first exhibition allowed out of Turkey since they changed the law recently, to allow objects to travel——

Mr. **Yates**. This is kind of an abduction——

Mr. **Brown**. That is right. The Age of Suleyman the Magnificent, who is known as the Lawgiver in Turkey and who was the man who put that country into an extraordinarily sophisticated governmental and cultural phase.

Mr. **Yates**. How are you balancing it with something from Greece?

Mr. **Brown**. We have been talking just last week with our friends in Greece, and we will see how that turns out.

Mr. **Yates**. You must have anticipated my question.

Mr. **Brown**. They desire equal time.

Mr. **Yates**. What else do you have?

Mr. **Brown**. There is a Berthe Morisot show. She was——

Mr. **Yates**. All in one year?

Mr. **Roache**. That is a small one.

Mr. **Brown**. She was a wonderful painter. Because she was a woman, she was not granted the same kind of attention, I think, in the 19th century that some of her male colleagues were.

Mr. **Yates**. How do you compare her with Mary Cassatt?

Mr. **Brown**. It is hard. I think they are both extremely gifted.

Mr. **Yates**. Why aren't you having an exhibit of Mary Cassatt?

Mr. **Brown**. There has been one recently. We have a very good representation of Cassatt in this current Impressionism show. But as you are aware, enormous numbers of people seem to avail themselves of this.

During the holiday weekend we just had, we had the largest number of people ever to come to the National Gallery in a three-day period; 220,000 people in three days.

Mr. **Yates**. What would you guess attracted them, the Treasure House show or the Impressionism?

Mr. **Brown**. I think it is a combination. They both are at capacity. We have long lines for both. What is exciting, I was down there this weekend, and these people also spend a lot of time in the permanent collection, and we——

Mr. **Yates**. As they should. It is wonderful. How long will the Treasure Houses last? Until May?

Mr. **Brown**. It has been extended from March 16th to April 13th.

Mr. **Yates**. What about the Impressionist show?

Mr. **Brown**. That has to leave April 6th, because it goes on to San Francisco.

CORPORATE FUNDING OF EXHIBITS

Mr. **Yates**. Will you be funded for the shows you have listed for 1987 by any corporations? Have any of them agreed to finance any of the shows?

Mr. **Brown**. Phillip Morris is going to help with the Suleyman show, and we have a sponsor for Matisse. We haven't yet been able to find a sponsor for any other—oh, the Vienna bronzes, we have a sponsor for that.

Mr. **Yates**. Do you have a sponsor for the Berlin show?

Mr. **Brown**. No.

Mr. **Yates**. Is that Dr. Sackler?

Mr. **Brown**. Yes.

Mr. **Yates**. What kind of bronzes are these?

Mr. **Brown**. These are European old master bronzes and, as you know, he has collections in many different fields. He has been collecting these, and has made some very encouraging noises about where they might end up, and our curators have been visiting him.

We had a show of his terra cottas a few years ago.

Mr. **Yates**. I remember, yes. Are these bronzes going to end up in Freer, too?

Mr. **Brown**. They are not Chinese.

Mr. **Yates**. Is that an objection?

Mr. **Brown**. I would think so.

Mr. **Yates**. I would think when someone has a gallery named the Sackler Gallery, that it might be tempting to him to move everything.

Mr. **Brown**. He doesn't seem to think that way, though, Mr. Chairman.

RUSSIAN EXHIBITION

Mr. **Yates**. Are the costs of your Russian exhibition included in the program for fiscal year 1986?

Mr. **Brown**. No. That was a late starter, but that will be funded by a corporation, so that we are going to be made whole.

Mr. **Regula**. Will the chairman yield?

Mr. **Yates**. Sure.

Mr. **Regula**. What will you have in the Russian exhibition?

Mr. **Brown**. This will be 40 paintings from the Hermitage Museum and Pushkin Museum in Moscow. It is called Impressionism to Early Modern, so it is the work of Monet and Renoir, but also of Van Gogh and Gauguin and Matisse and Picasso.

Mr. **Regula**. You are getting painters they have who are not Russian and bringing them here in the guise of a Russian exhibit.

Mr. **Brown**. The interest in this material is very high and two Russian capitalists living in Paris collected these.

Mr. **Regula**. Wait a minute. Russian what?

Mr. **Brown**. Sugar magnates, collected these——

Mr. **Regula**. Soviet citizens?

Mr. **Brown**. No. After the revolution, they found their way into the State Collections.

Mr. **Yates**. Are any of these part of the Russian constructivists?

Mr. **Brown**. No. These will not include those in this case.

Mr. **Regula**. Will there be any Soviet originals?

Mr. **Brown**. No.

Mr. **Regula**. Somehow, it doesn't ring quite true.

Mr. **Yates**. What is the cost of that exhibition?

Mr. **Brown**. I think the whole tour, Dr. Hammer says will cost in excess of $1 million, and he will pick up the tab.

TREASURE HOUSES EXHIBIT COSTS

Mr. **Yates**. I hate to ask you this one, but I think we better put it in the record. What is the actual cost of the Treasure Houses Exhibit, compared with your estimate?

Mr. **Brown**. It seems to be on track. We don't yet know. It will be that same range of $5 million or so.

Mr. **Yates**. How much is the or so?

Mr. **Brown**. We won't know until every object is returned. We have the big return and de-installation question to deal with. So we don't have those numbers in yet.

I might say for the extension we did get an additional hundred thousand dollar grant from the Ford Motor Company.

TITIAN PAINTING

Mr. **Yates**. Did you have to pay anything for the showing of the Titian?

Mr. **Brown**. Yes. Luckily, we had a federal indemnity to take care of the insurance. That one picture is insured for $16 million. The indemnity limits per conveyance wouldn't even cover the one picture.

Mr. **Yates**. How do you arrive at a value on a picture like that?

Mr. **Brown**. The indemnity panel asks that we check with several experts to make sure—originally, the lender puts a value to it, but we have to find corroboration——

Mr. **Yates**. Wasn't this a government—am I wrong, was this Czechoslovakian?

Mr. **Brown**. It is government-owned over there.

Mr. **Yates**. They put a value of $16 million on it?

Mr. **Brown**. I think that was their original evaluation, which we found was considered appropriate by the other sources. The sad thing is that, in trying to make these precise, there is no picture of comparable importance that sold in recent years, so that we have only extrapolation to go by.

We know of several pictures sold at the $9 million and $10 million level in the last couple of years, which were far lower down the scale in terms of rarity and historical importance.

Mr. **Yates**. We will have some questions for the record.

Mr. Regula.

NGA PUBLICATIONS

Mr. **Regula**. Just a couple of questions, Mr. Chairman.

One is, I notice you have a lot of very fine publications, which I assume you sell. I would be curious, do you break even?

Mr. **Brown**. We do. We lose on some, and we hope we have a profit on others. The publications fund is set up as a revolving fund to try to help us keep the price down in future publications, and also get out our full systematic catalogs.

We are finally doing our duty by our permanent collection in bringing out the full dress catalog as other national galleries around the world seem to have been able to have done, usually with heavy federal support.

This we are trying to support out of our own income.

OUTREACH PROGRAMS

Mr. **Regula**. I read throughout the justification about the programs you use to reach out to schools and children's groups. I favor this type of approach, and I wondered if you could elaborate what you do by way of outreach.

Mr. **Brown**. I would be delighted to.

First of all, we have our own in-house Education Department, and you will see that we have done quite a bit of innovating, therein offering courses in art history and working with the schools on special projects, including one very sophisticated one connecting with our Treasure Houses show, where sets of slides and a kit for the teacher were made available.

But our true responsibility we feel is outside the capital, to the Nation as a whole, and there our extension service reached, we estimate this year, 125 million people, and this is, of course, far in excess of 5 or 6 or 7 million that we may be able to reach in those two buildings.

This represents an increase of five times over the last five years of our audience. Part of that is attributable to the new videotape technology. We are putting more and more of our programs on VHS or Betamax, and making them available to the schools and to the television stations in the regions.

Mr. **Regula**. Do you get schools that just call in or write in and ask for certain types of——

Mr. **Brown**. We do. We reach some 4,000 communities in all 50 states.

Mr. **Regula**. That is great.

Mr. **Brown**. We were asked by this committee, once years ago, to submit a list of the communities that we served, and they typed all week and they came up here with such a pile of paper, they said, we are not going to ask the Government Printing Office—it is impressive.

You pick any community, any of your colleagues' constituencies, we can look up through our computer and list out these little towns that are served by the National Gallery.

And it really sends a shiver down your spine sometimes.

Mr. **Regula**. A teacher can write to you at the National Gallery—do you send them a publication of what's available?

Mr. **Brown**. Yes. We have a catalog. We will get one right up to you.

Mr. **Regula**. Would you please?

Mr. **Yates**. What is that?

Mr. **Regula**. What is available for schools, for educational material.

Mr. **Brown**. We keep it current. We will have things growing out of these exhibitions. We also do it internationally. A new program has been the film on the American painter Peto, which again came out of our exhibition program, but that is now being circulated by USIA all over the world, so we are serving a world market as well as just this country.

FAR EAST EXHIBITIONS

Mr. **Yates**. Your exhibitions are all of the works of Western countries. Do you ever do any of the Far East or do you leave that for Freer?

Mr. **Brown**. We have always tried to keep a balance in our exhibition program, because we have such a narrow focus in our permanent collection of just Western, European and American art, between the end of the Middle Ages and the 20th century, and that is a small percentage of the world's art. The permanent collections in Washington, as you know, have gaps, and so, we have as a general policy tried to have a certain number of non-European, non-American shows a year.

Our Indian exhibition, for example, from India, was a case in point, where the Indian Government came to us and asked. When the Sackler gets going—the Freer has not been allowed up to this point to have temporary exhibitions, so the vacuum has been total—my feeling is once the Sackler gets going, there will be a need for greater exposure as the world's attention is turning more and more to the Far East and Near East.

Mr. **Yates**. I wonder about contemporary Japanese artists. I haven't seen any exhibition by Japanese artists other than wood prints, blocks, things of that sort.

Mr. **Brown**. We are working on a Japanese show at the moment, and I know there is great interest. Some of my colleagues around the country spent two weeks in Japan last month looking at their contemporary artists, and I am sure some kind of exhibition will come out of that.

Mr. **Yates**. Thank you very much.

[Questions and answers for the record follow:]

ADDITIONAL COMMITTEE QUESTIONS

SEQUESTERED FUNDS

Question: The request includes restoration of the $1,584,000 sequestered in FY 1986 under Gramm-Rudman. Why is it necessary to restore the entire amount in FY 1987?

Answer: It is necessary to restore the entire amount to continue to maintain the Gallery's level of service to the public, to protect the priceless collection of works of art, and to prevent deterioration of the building, grounds, facilities and equipment.

Question: Would it be possible to continue to absorb any of this reduction in FY 1987?

Answer: For the same reasons as the previous answer, it wouldn't be possible to continue to absorb these reductions in FY 1987. While it is possible to defer staffing and purchases of goods and services temporarily, continuation into a future year would undermine the Gallery's total program.

ADJUSTMENTS TO BASE

Question: On page 1-26, you show adjustments to base consisting of reductions totaling $150,000 to the art care, operations and maintenance, and security functions; and an increase of the same amount to general administration. What do these changes involve?

Answer: These are internal changes made properly to reflect some shifting of positions and budgets. For example, funds being moved from Function C, Security, are for the summer intern program which had been erroneously added to the summer evening hours budget a few years ago. The funds are now being moved to their correct category, Function A, Art Care. The funds of Function B, Operations and Maintenance, are being transferred to Function A, Art Care, to reflect the permanent move of a position to Function A. Funds being added to Function D, General Administration, are a transfer from Function A, Art Care, to cover the costs of placing the Archives Office under the direction of the General Counsel's office. None of these changes results in net additional costs to the Gallery's budget.

NEW POSITIONS

Question: The request for care and utilization of art collections is $12,173,000, an increase of $670,000 over the 1986 appropriation and $1,166,000 over 1986 adjusted. Included are funds for 5 new positions. How are the functions to be carried out by the space planner/department head being accomplished now?

Answer: Because of the pressing need to continue managing ongoing renovation projects and respond to space planning questions (re: storage, expanded office staff, conservation crowding, equipment placement, etc.), we hired an architect recently by temporarily freezing a vacancy elsewhere. We hope this position will be authorized permanently under a concept, approved by OMB, of redistributing the 12 extra FTE's used for crowd control on the Treasure Houses of Britain exhibition.

Question: Funds are included, in the amount of $63,500, for converting the Corporate Relations Officer, now a contract employee, to a permanent Federal employee, and adding a researcher/clerk to that office. Why is this conversion necessary?

Answer: The Gallery has requested this conversion for a number of years in its OMB submission. The position has not been permanently staffed since its inception. Originally, corporate funding was handled by the person in charge of Special Events on a part-time basis. It was then staffed in FY 1983 with a contract employee with corporate background. Congress has urged the Gallery to seek private funds to supplement the Federal funds included in our budget. With the growing cost of exhibitions and the increasing difficulty of raising private funding, we feel that the position should be permanently established in the Federal budget.

Question: Has the position been funded from Federal funds in the past?

Answer: No, but Congress has supported the overall concept of corporate fundraising in support of special exhibitions.

TRAVEL

Question: An increase of $31,000, or 39%, is requested for professional and development travel. In FY 1986, an increase of 41% was requested and appropriated. What is the basis for continuing these levels of increase for travel?

Answer: The Gallery is beginning to level off in the need for travel increases. These increases in the last two years were necessitated by long restrictions in this line, causing a backlog of need for our staff to attend professional meetings, contribute to the activities in the profession, cultivate potential donors, and stir up support for the Gallery in a variety of ways.

Question: Why should development travel be funded from Federal sources rather than private?

Answer: With respect to corporate fundraising, if the position is staffed with a Federal employee, the travel would presumably be Federal.

OPERATIONS AND MAINTENANCE

Question: The request for operations and maintenance is $13,851,000, a decrease of $406,000 from the 1986 appropriation and $209,000 from 1986 adjusted. Included is an increase of $302,000 for rents, communications and utilities. On what do you base the projected increase in electricity costs (+7.9%) in 1987, compared to 1986 (+1.4%)?

Answer: The projected increase in electricity costs is based on an anticipated 2.2% increase in usage and a 5.6% rate increase. Since PEPCO did not seek any rate increases last year, we anticipate that they will in FY 1987. The increase in usage is attributable to our continued steps to add necessary additional track lighting to existing galleries and the opening of 8 new West Building galleries in January 1986.

Question: What has been your experience to date in FY 1986?

Answer: In Fiscal 1986 through January, the electric usage is up 4.6% as opposed to the 3.6% projected in our FY 1987 budget. Nonetheless, total costs are down 1.1% for this first portion of the year as opposed to the full year 1.4% increase projected in our budget.

Question: What about the increases for steam (+5% compared to a decrease of .5% in 1986)?

Answer: The actual costs of steam through February 1986 are 16.3% higher than the same period for FY 1985, as opposed to the 5% increase currently projected in our FY 1987 budget. Actual usage for this period is up 22%.

Question: An increase of $30,000 is requested for supplies and materials. What is included in this request, and why are increases over the ongoing 1986 level required?

Answer: Our estimates for supplies, many of which are non-discretionary, have been too low for our level of activity and visitation. This category includes restroom supplies, cleaning items, air filters, fuel and replacement parts for small equipment. The increase recognizes greater requirements for such items due to an expanded physical plant.

EMPLOYMENT CEILING

Question: There is an employment ceiling of 791 (p. 1-18), the same as FY 1986. Will this allow you to hire the extra positions added by Congress for conservation work?

Answer: Yes, we will be able to hire the extra positions approved by Congress for conservation, as long as the Gramm-Rudman cuts are restored, or we are able to reprogram between accounts.

Question: How many such positions have been filled to date?

Answer: At the moment, we have only begun hiring the first of these positions, which is at a senior level.

CONSERVATION EQUIPMENT

Question: How are you planning to use the additional money provided for additional conservation equipment?

Answer: These funds were cut to meet part of the Gramm-Rudman reductions for the Art Care function.

REPAIR, RESTORATION AND RENOVATION PROGRAM

Question: $2,400,000 is requested for the repair, restoration and renovation program, a decrease of $800,000. What is the status of the effort to remove toxic PCB from transformers in the Gallery?

Answer: We are in the process of draining and refilling all our PCB building transformers.

Question: How much has been spent on this effort, and what will be spent in 1986 and 1987?

Answer: $369,675 was committed in FY 1985, and $236,750 has been obligated in the current year.

Question: Will this complete the effort?

Answer: We believe this funding will complete the effort according to present standards.

Question: What is the status of the work to encapsulate asbestos?

Answer: We have had an ongoing program for several years and estimate that 75% of our asbestos has been encapsulated. Approximately $180,000 a year, over a four year period, would complete all asbestos containment according to rough estimates. The rate at which this work can proceed depends on the level of unpredictable repair.

Question: What is being done on the National Sculpture Garden project in FY 1986?

Answer: Very preliminary designs have been drafted for possible installations of the National Sculpture Garden, and a model landscape setting was undertaken in the Gallery's terrace garden with some of the loans in question. Delicate and complicated negotiations on the potential gift remain in progress, but we cannot confirm any completion date for agreement at this time.

Question: What is the status of the A&E design study?

Answer: Preliminary design alternatives are still in the hands of the National Park Service and their contracted architects, in consultation with the Gallery. We are in basic agreement on the principles, but further clarification and refinement awaits settlement of the gift and the number of objects involved.

Question: What exactly do you plan to accomplish in FY 1987? At what cost?

Answer: If the gift should materialize in the near future, we might anticipate spending $2,000,000 to $3,000,000 in FY 87 to complete the basic engineering and layout of the space, and possibly begin as well the actual installation of objects.

PROTECTION OF BUILDINGS

Question: The request for protection of buildings, grounds and contents is $6,638,000, a decrease of $121,000 from the 1986 appropriation, and a decrease of $173,000 from 1986 adjusted. There is a reduction of $250,000 for 12 temporary FTE's related to the Treasure Houses exhibit. Will none of these positions be required for exhibitions planned in 1987?

Answer: We do not foresee the incredible crowds and resulting demands for security personnel, occasioned by our FY 1986 exhibitions, recurring in FY 1987. Therefore, these positions shouldn't be required for 1987 exhibitions.

Question: An increase of $41,000 is requested to restore the reduction of base pay in the FY 1986 budget for security guards. Please explain what this is, and why it is necessary.

Answer: The $41,000 for pay restoration reflects the .6% reduction in the Continuing Resolution which has necessitated periodically closing permanent exhibition space.

FEDERAL TELECOMMUNICATIONS SYSTEM

Question: The request for general administration for FY 1987 is $4,345,000, an increase of $33,000 over the 1986 appropriation and $212,000 over 1986 adjusted. What is the basis of the expected $83,000 increase in FTS costs in FY 1987?

Answer: The basis for the expected $83,000 increase in FTS costs in FY 1987 is a letter from GSA, dated August 15, 1985, stating that our agency should budget $136,000 in FY 1987 to cover the FTS intercity telephone service costs. This is $83,000 above their estimate for FY 1986 costs.

Question: Does this reflect increased usage, increased rates, or both?

Answer: GSA has changed their methodology for computing usage and cost and hasn't been able to give us comparable usage information for prior years. As a result, it is not entirely clear to us what this increased cost is based on. However, we are pursuing the matter with GSA.

Question: What were the comparable FTS costs in FY 1985, and what are your current estimates for FY 1986?

Answer: The comparable FTS costs in FY 1985 were $51,350. Our current estimate for FY 1986 is $53,100.

FINANCIAL STATEMENT

Question: On page 9-8 is a breakdown of income and expenses for the year ended September 30, 1985. Explain the $4.1 million reported as excess income over expenses in the Federal funds column for 1985.

Answer: The $4,050,004 reported as excess income over expenses in Federal funds for 1985 represents the total carry forward of no-year funds for special exhibitions and renovation. This includes $2,351,450 for the renovation program and $1,698,554 for the special exhibitions program.

QUESTIONS SUBMITTED BY REPRESENTATIVE RALPH S. REGULA

Question: When every department, agency and office is being asked to cut back, or at the very least hold the line, how do you justify an increase in your budget, an increase I might add which is over your FY 86 appropriation even before you account for the Gramm-Rudman cuts?

Answer: The National Gallery 1987 budget increases to $176,000 or approximately one-half of one percent. A number of vigorous steps have been taken to hold the line on the overall budget despite increases in expenses over which we have no control. For example, the $370,000 increase in our Salaries and Expenses account is for non-discretionary pay increases including annual mandatory within-grade raises for employees, annualizing pay costs of new FY 1986 positions, and recalculating all employees pay based on 2,080 hours per year as compared to the previous 2,087 hours per year. $394,000 is for increased costs of rents, communications and utilities. Most of the remaining increases are for inflationary costs as well as increased demands by the public for Gallery services.

Question: Looking at your justification (pg. 1-19), it would appear that almost every category is up. Are you making any effort at the Gallery to hold down costs? This is something that even congressional offices are doing this year.

Answer: A number of steps have been taken to reduce costs. Hiring has been restricted and every commitment of funds has been carefully scrutinized by the Administrator's Office for urgency.

Question: I notice in your budget justification (pg. 1-9) you say that all Extension Programs are loaned free of charge. Have you ever considered charging a nominal fee for this program, the proceeds of which could go back into Gallery programs?

Answer: We have considered user fees for Extension Programs, but have to date rejected them as counterproductive: experience shows that when museums introduce admission fees or user charges, visitation and subscription on an average drops off by half. Thus, receipts do not cover loss in volume. Many of our programs go to impoverished regions of the country and rural school systems which give little prospect of being able to pay participation. Most critical is that the costs of production for the same programs in film and video would almost double, because reproduction charges for any kind of commercial or sale use are usually twice non-commercial use. Thus, we would neither be able to maintain current levels of program production nor reach as large an audience, incurring greater costs than income.

Question: Your budget justification (pg. 1-17) estimates that visitation will be down between 1986 and 1987. Why is this?

Answer: We estimate visitation will be down in FY 1987 because attendance in the current fiscal year was unusually high. The popularity of the Treasure Houses of Britain and the Impressionism exhibitions will increase Gallery attendance in the current fiscal year from a normal level of 4 to 5 million to a projected 7 to 8 million visitors.

Question: According to your budget justification (pg. 1-20) that while travel is up $11,000, it does show a $20,000 decrease in Special Exhibitions Travel and yet the next line item, Transportation of Things, seeks an added $130,000 for Special Exhibitions Transportation. How is this consistent?

Answer: Although the total costs of packing and transportation changes very little between FY 1986 and FY 1987, the application of those funds differs between the two years. In 1986 a greater portion of transportation costs were paid from corporate funds because of private funding of the Treasure Houses of Britain exhibition and the relatively high transportation costs of all the works of art such as sculpture, silver, porcelain, etc. In FY 1987 a larger portion of the costs are being charged to the federal budget.

Question: Your budget justification (pg. 1-21) shows a $22,000 increase in postage "due to increases in costs and usage of first class mail." During these tight budget times, why are you increasing your use of first class mail?

Answer: Many of our services involving the mails are very dependent on timeliness. Our Calendar of Events, for example, is only useful if it is prepared as near to the beginning of the month as possible and received before that month begins. Schools depend on Extension Program materials arriving on time. Most of these increased costs are to catch up with the first class postage rate increase from 20¢ to 22¢ in the spring of last year. In addition, increased requests for Extension Program materials from all parts of the country and other information from the Gallery, including our monthly Calendar of Events, has increased our postage usage.

Question: Your budget justification (pg. 4-12) says: "In the long term, we believe that it would be fully justifiable for the Gallery to have its exhibition program completely supported by federal appropriation, as are its other day-to-day public educational and art care undertakings." While I might agree with you ideally, do you believe this is realistic given the current budgetary constraints?

Answer: No. Given the current budgetary constraints, this isn't realistic at this time, but it is an objective worthy of future consideration.

Question: Your budget justification (pg. 4-12) says: "The high standards of the National Gallery's exhibition organization and design have become a benchmark for other museums in this country and abroad, and museum professionals use the Gallery's staff as a resource in such diverse areas as installation design, automated financial reporting, publications and contracts. This national resource, a spin-off of our exhibition programs, makes special demands of the Gallery's staff and limited budget." Have you considered charging any sort of fee for this service?

Answer: Since these services evolve out of assigned work conducted during business hours, it is difficult to separate these efforts from the ongoing work performed.

WEDNESDAY, MARCH 12, 1986.

NATIONAL PARK SERVICE

WITNESSES

WILLIAM P. HORN, ASSISTANT SECRETARY FOR FISH AND WILDLIFE AND PARKS
WILLIAM PENN MOTT, JR., DIRECTOR, NATIONAL PARK SERVICE
DENIS P. GALVIN, DEPUTY DIRECTOR, NATIONAL PARK SERVICE
DANIEL E. SALISBURY, ASSISTANT DIRECTOR, FINANCIAL AND DATA SYSTEMS
C. BRUCE SHEAFFER, NPS BUDGET OFFICER
DR. RICHARD BRICELAND, ASSOCIATE DIRECTOR, NATURAL RESOURCES
STANLEY T. ALBRIGHT, ASSOCIATE DIRECTOR, PARK OPERATIONS
JERRY L. ROGERS, ASSOCIATE DIRECTOR, CULTURAL RESOURCES
DAVID G. WRIGHT, ASSOCIATE DIRECTOR, PLANNING AND DEVELOPMENT
WILLIS KRIZ, CHIEF, LAND RESOURCES DIVISION
L. LORRAINE MINTZMYER, REGIONAL DIRECTOR, ROCKY MOUNTAIN REGION, DENVER
HERBERT S. CABLES, JR., REGIONAL DIRECTOR, NORTH ATLANTIC REGION, BOSTON
MANUS (JACK) FISH, JR., REGIONAL DIRECTOR, NATIONAL CAPITAL REGION, WASHINGTON, D.C.
JAMES W. COLEMAN, JR., REGIONAL DIRECTOR, MID-ATLANTIC REGION, PHILADELPHIA
ROBERT M. BAKER, REGIONAL DIRECTOR, SOUTHEAST REGION, ATLANTA
CHARLES H. ODEGAARD, REGIONAL DIRECTOR, MIDWEST REGION, OMAHA
ROBERT I. KERR, REGIONAL DIRECTOR, SOUTHWEST REGION, SANTA FE
HOWARD CHAPMAN, REGIONAL DIRECTOR, WESTERN REGION, SAN FRANCISCO
WILLIAM BRIGGLE, (ACTING) REGIONAL DIRECTOR, PACIFIC NORTHWEST REGION, SEATTLE
BOYD EVISON, REGIONAL DIRECTOR, ALASKA REGION, ANCHORAGE
RAY LAPIERRE, BUDGET OFFICER, ALASKA REGION
GERALD PATTEN, MANAGER, DENVER SERVICE CENTER, DENVER
ANTHONY L. ITTEILAG, DIRECTOR, OFFICE OF BUDGET

NATIONAL PARK SERVICE WITNESSES

Mr. YATES. The hearing will come to order.

This is the hearing on the budget for fiscal year 1987 for the National Park Service.

Appearing in support of the appropriation is Assistant Secretary William P. Horn, Mr. Mott, the Director, Mr. Galvin, the Deputy Director, Mr. Salisbury, the Assistant Director, and Mr. Sheaffer, the Budget Officer. Appearing also will be Dr. Briceland, Associate

Director for Natural Resources, and Mr. Albright, Associate Director for Park Operations, and Mr. Rogers, Associate Director for Cultural Resources, and Mr. Wright, Associate Director for Planning and Development.

Then we have the crown jewels, the Regional Directors: Ms. Mintzmyer from the Rocky Mountain Region. Good to see you again. How is your arm? Wasn't it incapacitated when you last came in here?

Ms. MINTZMYER. Yes, sir.

Mr. YATES. And then we have Mr. Cables from the North Atlantic Region, Mr. Fish from the National Capital Region, Manus Fish, Old Faithful, National Capital Region, and Mr. Coleman from Philadelphia. Hi, Mr. Coleman. Mr. Baker from the Southeast. Hi, Mr. Baker. Mr. Odegaard from Omaha. Hi, Mr. Odegaard. Mr. Kerr from Santa Fe. Hi, Mr. Kerr. Mr. Chapman from California. Hi, Mr. Chapman. Mr. Briggle from the Pacific Northwest. Hi, Mr. Briggle. Mr. Evison from Alaska, with all those acres, and Mr. Patten from Denver. Hi, Mr. Patten. You took Mr. Galvin's place, right?

Mr. PATTEN. Yes, sir.

Mr. YATES. And Mr. Itteilag, the Director of the Office of Budget.

Now, Mr. Horn's, Mr. Mott's, Mr. Galvin's, Mr. Evison's, Mr. Patten's, and Mr. Briggle's biographies may be made a part of the record.

[The biographies follow:]

WILLIAM P. HORN

William P. Horn has served as Assistant Secretary for Fish and Wildlife and Parks within the Department of the Interior since July, 1985. Prior to assuming that position, he served as Deputy Under Secretary of Interior. His primary responsibilities in that position were coordinating and directing the Department's Alaska-related programs, serving as Chief Coordinator of Negotiations for the Indian Water Claims Task Force, and sitting as Chairman of the Great Lakes Fisheries Commission.

Before coming to Interior in 1981, Mr. Horn was minority staff consultant to the House Interior and Insular Affairs Committee and prior to that, a special assistant to the Assistant Secretary of the Interior for Land and Water Resources during the years 1976-77.

Horn also worked as special assistant to the late Rogers C.B. Morton, a former Interior Secretary, when Morton was Secretary of Commerce in 1975. For 3 years prior to that he was a staff member of the House Republican Conference, advancing to the position of Acting Executive Director.

A skilled fly fisherman and upland bird hunter, Horn is an honor graduate of the American University, Washington, D.C., where he earned a J.D. Degree in 1983. He is a member of Trout Unlimited, the Ruffed Grouse Society, Ducks Unlimited, and the District of Columbia Bar. He is married, has two children, and resides in McLean, Virginia. He was born December 16, 1950 in Dover, Delaware.

WILLIAM PENN MOTT, JR., DIRECTOR, NATIONAL PARK SERVICE

William Penn Mott, Jr., in May 1985 became the 12th Director of the National Park Service.

A career parks professional, Mott joined the National Park Service in 1933 as a Landscape Architect working in San Francisco. He remained with the Service for 7 years.

He returned to the Park Service as Director following service as the President and Executive Officer of the California State Park Foundation, which he founded in 1975. He was also General Manager of the East Bay Zoological Society, Oakland, California, when he was appointed to his current position.

Mott served 8 years as Director of the California Department of Parks and Recreation (1967–75), 6 years as General Manager, East Bay Regional Park District (1962–1967), and 17 years as Superintendent of parks for Oakland.

A registered Landscape Architect, Mott was in private practice specializing in park and recreation planning and design in the 1940's. In October 1985, he received the prestigious Alfred B. LaGasse medal of the American Society Of Landscape Architects.

A native of New York City, Mott holds two degrees in landscape architecture, a B.S. from Michigan State University and an M.S. from the University of California at Berkeley.

He and his wife, Ruth, have three children.

DENIS P. GALVIN, DEPUTY DIRECTOR, NATIONAL PARK SERVICE

Denis P. Galvin, a career administrator with the National Park Service, became Deputy Director of the National Park Service October 6, 1985.

Galvin, 47, has been manager of the Denver Service Center, which oversees most of the agency's design and construction programs throughout the nation, for the past 7 years.

He joined the National Park Service in 1963 as a Civil Engineer at Sequoia National Park, California, after completing a 2-year Peace Corps assignment in Tanzania, East Africa.

Subsequent assignments saw Galvin serve as an Engineer at Mount Rainier National Park, Washington, and in the Service's Southwest Regional Office, based in Santa Fe, New Mexico; as a Training Specialist at the agency's Horace M. Albright Training Center in Grand Canyon, Arizona; and as a Management Assistant at the New York Office, overseeing park operations for a variety of NPS facilities in and near New York City.

In 1974, when a new Regional Office was established in Boston, Galvin became Associate Regional Director for Operations. Two years later, he became Deputy Director of that Region. From that post, he transferred to his Denver assignment in 1978.

Galvin, a 1960 graduate of Northeastern University in Boston, is married and has two children. He is a native of South Boston.

Q. BOYD EVISON, REGIONAL DIRECTOR, ALASKA REGION, NATIONAL PARK SERVICE

Q. Boyd Evison became Regional Director, Alaska Region, National Park Service August 3, 1985. Alaska National Park System units comprises more than 50 million acres.

Evison, 53, has 26 years service in the National Park Service. Prior to his appointment as Regional Director, he was Superintendent of Sequoia-King's Canyon National Parks, 1980–1985; Assistant Director of the National Park Service, Washington office, 1970–1980; Superintendent of Great Smoky Mountains National Park, 1975–1978; Superintendent of the National Park Service's Albright Training Center at Grand Canyon National Park, 1973–1975; Superintendent of Grand Teton National Park, 1971–1972; Staff Assistant to the Director of the National Park Service and also to the Assistant Secretary of the Interior, 1966–1969; and ranger and interpreter in several national parks, including Petrified Forest, Lake Mead, Hot Springs from 1960 to 1966.

Born in Washington, D.C., Evison is a graduate of Colorado State University with a B.S. degree in wildlife managment. He holds a Master's degree in environmental communications from the University of Wisconsin. He is married and has two children.

GERALD D. PATTEN, MANAGER, DENVER SERVICE CENTER

Gerald D. Patten, 48, is Manager of the National Park Service's Denver Service Center in Denver, Colorado.

Mr. Patten is a Landscape Architect who has been with the National Park Service since 1963, except for brief period when we was employed with a private firm in California in 1971–72. He assisted in planning a number of park areas, including those in Alaska before the 1980 legislation that formally established them as units of the Park System.

He has received numerous awards, including the Department of the Interior's Meritorious Service Award, for his work in park planning and design.

He was National Vice President of the American Society of Landscape Architects. He also is a committee member and Technical Consultant to the National Recreation and Park Association for the revision of recreation space standards.

Patten also has been a ~~guest~~ lecturer and speaker at a number of colleges and universities and has written numerous articles dealing with public park planning and design.

Patten has degrees in landscape architecture from California State Polytechnic University (B.S., 1965) and from the University of California (M.L.A., 1971). He also was a fellow at the Massachusetts Institute of Technology in 1978–79.

Patten joined the National Park Service as a student assistant in San Francisco in 1963, and moved to Denver with the creation of the Service Center there in 1971. He served as Chief of Park Planning and Environmental Quality in the Washington Office of the NPS from 1973–78. At the Denver Service Center, he has been Team Captain; Project Manager; Chief, Research and Consulting; Chief, Special Programs; and, most recently, Assistant Manager.

He was born January 24, 1938, in Midway, Montana. He and his wife, Eleanor, are parents of sons Scott, 18, and Eric, 16.

They make their home in Boulder, Colorado.

WILLIAM J. BRIGGLE, ACTING REGIONAL DIRECTOR, PACIFIC NORTHWEST REGION

William J. Briggle, a 36-year veteran of the National Park Service and Bureau of Outdoor Recreation, has been Acting Regional Director of the Pacific Northwest Region since September 7, 1985.

Briggle's 19 years experience in park management, policy planning, legislation and inter-Governmental relations include positions of Deputy Director, National Park Service; Deputy Regional Director, Pacific Northwest Region; Superintendences of Mount Rainier National Park, Washington; Lake Mead National Recreation Area, Nevada/Arizona; Glacier National Park, Montana; and Glen Canyon National Recreation Area, Arizona/Utah.

Briggle 60, has received the Department of the Interior Meritorious Service Award for exceptional contributions to the success of the National Park's Centennial, 1973, and the Department of the Interior Unit Citation in 1970 for search and rescue activities at Glacier National Park.

Special assignments have included Chairman for National Park 50th Anniversary Program; Staff Director for Vice President Hubert Humphrey's program "See the U.S.A."; Staff Director for Departments of Interior and Agriculture North Cascades National Park Study; member of three-man team assigned by Secretary Stewart Udall to survey and prepare a conservation program for Ethiopia's natural and historical resources; Director for National Park Service Centennial, 1972, and Second World Conference on National Parks, 1972.

Briggle and his wife, Dorothy, reside in Tacoma, Washington. They have one married daughter. He is a native of Texas.

Mr. YATES. Now we have the statement by Mr. Horn that may be made a part of the record, to be followed by the statement of Mr. Mott.

Now, Mr. Horn, we will be glad to hear what you have to say about how well the parks are doing or how poorly the parks are doing.

ASSISTANT SECRETARY HORN

Mr. HORN. Mr. Chairman, I appreciate the opportunity to appear before this subcommittee in my first hearing in this capacity and to discuss our fiscal year 1987 budget request for the National Park Service.

This year, in preparing the budget, we faced two challenges: One, to help meet the deficit reduction targets set forth in the Gramm-Rudman-Hollings Deficit Control Act, and at the same time to conserve the priceless natural resources that constitute the park system for the benefit of our American citizens.

I believe that we met these two goals in preparing our budget, and I would like to cite three examples of particular elements that I think illustrate this.

One, we have proposed legislation to increase entrance fees for units of the National Park System and to create a new appropriation for those recreation fee revenues. Those revenues, coupled with our proposed base appropriations, will provide the Park Service an operations budget in fiscal year 1987 of $655 million, the largest operating budget in the history of the National Park Service.

Second, as part of ongoing efforts to streamline administrative and support functions and reduce administrative costs, we will initiate actions to close the Regional Office in Seattle, Washington, which, although it will yield only small savings in fiscal year 1987, we estimate it will reduce significantly administrative costs in the outyears.

Third, we are working to improve program operations such as land acquisition, where we attempt to increase land acquisition through exchange rather than fee title acquisition, given the fiscal constraints that we now face.

INCREASE IN ENTRANCE FEES

Turning first to a little more detail on the fee question, entrance fees for units of the National Park System have not been raised or initiated since 1972. Indeed, many entrance fees have remained constant for a much longer period of time, and in a few areas entrance fees have actually decreased.

For example, a family visiting Yellowstone in the 1930s would have paid $3.00 for a vehicle permit, and 50 years later, at present, the entrance fee at Yellowstone is presently $2.00 a vehicle.

Mr. YATES. That sounds good to me.

Mr. HORN. Our legislation will shift some of the burden of operating and maintaining the Park System, in general, from the taxpayer and the General Treasury to those individuals who use and benefit from the Park Service. The proposal will largely recreate the balance between base appropriations and fees that existed in the early seventies when fees made up approximately 10 percent of the operations budget. Under our 1987 proposal, we will have approximately 10 to 11 percent emanating from fees.

The program designed to support this legislation has a number of elements, but primarily fees would be collected at 198 units of the system. The fees would have a $10.00 maximum per vehicle at 11 parks of the 198 units involved and be set up on a three-tiered system per criteria developed by the National Park Service. We would increase the cost of the Golden Eagle annual passport to $40.00. Annual passes would be developed for individual parks.

Mr. YATES. How much is that now, the Golden Eagle?

Mr. HORN. Presently it is $10.00, sir.

Mr. YATES. And you propose to raise it to $40.00?

Mr. HORN. That is correct. A one-time charge of $10.00 would be established for the Golden Age Passport, which is currently available free of charge, and a policy of permitting children under 16 years of age and educational groups to be admitted free would exist at all fee sites.

Of the total revenue collected, 80 percent of the funds would be made available to the National Park Service in a permanent account, and 20 percent would be returned to the United States Treasury General Fund to assist in deficit reduction and support my resolve that there not be any offsetting reductions in future fiscal years to base operations in our operating account.

As I noted, our total budget is $655 million. That would be made up of $596 million in the base appropriations for operations, which is compared to an adjusted fiscal year 1986 operations appropriation of $597 million, and then when you add in the $59 million, which would be the Park Service's percentage of the fee revenues, it would give us an operations account of $655 million.

I think it is important to note that although the automatic Gramm-Rudman-Hollings cuts in fiscal year 1986 are problematic, they do remain manageable; but because of our fee initiative and our ability to hold our base appropriation request in 1987, the 1987 budget will eliminate the problems we presently face in 1986 and permit us to operate a first class park system for our citizens.

CLOSING OF SEATTLE OFFICE

On the management improvement front, we are taking actions to consolidate Regional Office structure. In 1980, a separate Regional Office was created in Alaska to manage the newly-established Alaska parks. As a consequence, the Pacific Northwest Office headquartered in Seattle was reduced to only 16 areas in the States of Idaho, Oregon and Washington.

This is significantly less than other Regional Offices when compared in terms of FTE's and operating budgets. Consequently, we are proposing to close this office as part of our effort to cut administrative overhead. All permanent employees will be given the option of relocating to a funded vacant position in a park or another Regional Office.

We expect minimal savings in fiscal year 1987 because of the relocation and transfer costs, but the projection is for a net annual savings of $2.2 million commencing in fiscal year 1988.

LAND ACQUISITION BY EXCHANGE

The last topic I would like to mention briefly is land acquisition. Land acquisition by exchange is one of the alternatives to purchase that we are now pursuing most actively within the Service. Outside of Alaska, since 1981, approximately 148 tracts totaling over 9,000 acres have been acquired by exchange, and the value of these lands are estimated to be $16 million.

In Alaska, I invested considerable time and effort in facilitating eight exchanges or donation arrangements which added over one million acres to our parks, refuges and recreation area systems. There is a strong commitment to making the exchange tool work, and that commitment emanates from the Secretary on down.

Let me add that the absence of a large request for land acquisition reflects no antipathy toward the concept of Federal land ownership nor antipathy toward expanding the Park System. The Secretary and I would have very much liked to have had a substantial land acquisition request in this budget. Unfortunately, in the establishing of the priorities, land acquisition was not a sufficient priority as compared to maintaining operations; and hence, in meeting the overall deficit reduction targets, we were not able to make a substantial request.

However, let me note that when the budget climate changes, I think this committee can expect to see significant land acquisition requests emanating from the department, and I hope that that can happen sooner than later.

Overall, the proposed budget for the Park Service strikes an effective balance between our objectives to improve park programs and the need to meet the Deficit Control Act objectives. Our operations account will be a total of $655 million; however, in order to help meet the fiscal year 1987 targets, we are asking for decreases in such appropriations as National Recreation and Preservation, Construction, Land Acquisition, and Historic Preservation Fund accounts.

The net decrease to the Park Service for these programs is $166 million.

That concludes my statement, Mr. Chairman. Thank you.

[The prepared statements of Mr. Horn and Mr. Mott follow:]

STATEMENT OF WILLIAM P. HORN, ASSISTANT SECRETARY FOR FISH AND WILDLIFE AND PARKS, U.S. DEPARTMENT OF THE INTERIOR, BEFORE THE HOUSE SUBCOMMITTEE ON APPROPRIATIONS FOR THE DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES, CONSIDERING THE FISCAL 1987 BUDGET REQUEST FOR THE NATIONAL PARK SERVICE, MARCH 12 AND 13, 1986

Mr. Chairman:

I appreciate the opportunity to appear before this subcommittee to discuss the fiscal 1987 budget request for the National Park Service. The coming fiscal year promises to be challenging as realistic limits are placed on the Park Service's budget to help reduce the Federal deficit and as the Service more efficiency utilizes new and existing funding sources.

The Park Service has a reputation of excellence in service to the visiting public and in the stewardship of America's cultural and natural heritage. Our challenge is to maintain or improve that reputation, and I believe that the budget we are proposing for the National Park Service in fiscal 1987 does just that. Here are some key examples:

—We have proposed legislation to increase entrance fees for units of the National Park System and to create a new appropriation for recreation fee revenues.

—As part of an ongoing effort to streamline administrative and support functions, we will initiate actions to close the Regional Office in Seattle, Washington.

—We are working to improve program operations, such as land acquisition where we will attempt to increase land acquisition through exchange rather than fee title given the fiscal constraints we now face.

Recreation Fees

Although the number of parks charging fees and the specific rates have changed, entrance and user fees have remained a constant feature of park operations since the early years of this century. Moreover, the principle of charging for recreation use has been repeatedly endorsed by both the Congress and the public during the period since the first national parks were created. Simply stated, where the use of Federal resources conveys special benefits to identifiable recipients, above and beyond those which accrue to the general public, such recipients should pay a reasonable charge for the service received.

Entrance fees for units of the National Park System have not been raised or initiated since 1972. Indeed, many entrance fees have remained constant for a much longer period of time, and in a few areas entrance fees have actually decreased. A family visiting Yellowstone National Park in the 1930's would have paid $3 for a vehicle permit. Fifty years later, in 1986, the entrance fee at Yellowstone is $2 a vehicle.

Our legislation will shift some of the burden of operating and maintaining recreation areas from the general taxpayer to those individuals who use and benefit from this service. Specifically, this legislation would lift the current freeze on entrance fees enacted under section 402 of Public Law 96-87, authorize the Secretary of the Interior to increase existing and establish new entrance fees, and permit the use of the fee revenues to operate, maintain and preserve the 337 units of the National Park System. Presently, recreation fees collected by the National Park Service are deposited into the Land and Water Conservation Fund and are available for subsequent appropriation to finance Federal land acquisition and matching grants to States. The nation's overall fiscal situation and the necessary budget constraints make it incumbent on us to propose a total program by which we could keep our parks operating at the enhanced levels in the first class manner expected by the American public.

The program designed to support this legislation contains the following elements:

--Entrance fees would increase at the current 60 fee areas. Entrance fees would be established at an additional 138 areas.

--Entrance fee amounts would be either $10, $5, or $3 a vehicle--or $5, $2.50, and $1.50 a person--depending on the classification of the park as a prime, intermediate, or standard fee area. This classification is based on an application of the six criteria included in the Land and Water Conservation Fund Act to each park and considers such factors as the direct and indirect cost to the Government, visitor benefits, comparable fees charged by other- public and private organizations for similar services, economic and administrative feasibility, public policy or interest served, and other pertinent factors. There is no overall criteria for the present fee structure of entrance fees which generally range from $1 to $3 a vehicle.

--The price of the Golden Eagle Annual Passport would increase from $10 to $40 and would permit unlimited entry to all fee areas during a 1-year period.

--Annual passes would also be developed for individual parks at rates that would vary from site-to-site.

--A one-time charge of $10 would be established for the Golden Age Passport, which is currently available free of charge. The Golden Age Passport will continue to allow lifetime unlimited entry to fee areas for individuals 62 years of age and older.

--Children under 16 years of age and educational groups would continue to be admitted free of charge to all fee sites.

--Fees would not be established for areas close to major urban centers that were established principally to provide recreational opportunities for urban populations and where multiple access points would make fee collection infeasible.

--Of the total revenue collected, 20 percent would be returned to the U.S. Treasury General Fund to assist in deficit reduction and support my resolve that there not be offsetting reductions in future fiscal years to base appropriations on the Park Service's operating accounts; the remaining 80 percent would be available to the National Park Service to provide and improve services and facilities for the visiting public.

Management Improvement

In 1980, a separate Regional Office was created in Anchorage, Alaska, to manage the Alaskan parks. The Pacific Northwest Regional Office was subsequently reduced to only 16 areas in the States of Idaho, Oregon, and Washington. This is significantly less than other Regional Offices when compared in terms of areas, funds and FTE's. The budget for this office is $4.2 million and 110 FTE's.

Consequently, we are proposing to close this office as part of our effort to streamline administrative and support functions. All permanent employees will be given the option of relocating to a funded vacant position in a park or another Regional Office. Although reduced operating costs for fiscal 1987 will be offset by one-time expenses for lump sum leave and severance payments or relocation expenses, net savings of approximately $2.2 million annually are anticipated in subsequent budgets.

Land Acquisition

Land Protection Plans which are in the process of completion for all parks are identifying a variety of innovative techniques that provide sufficient protection of the resources at considerable savings of appropriated funds. These include exchanges, donations, cooperative agreements, and the purchase of scenic easements. We propose to make maximum use of these techniques to accomplish our land acquisition goals as we await the change in the fiscal climate which will provide us the flexibility to acquire other high priority parcels which can only be acquired with appropriated funds.

Land acquisition by exchange is one of the alternatives to purchase being most actively pursued by the National Park Service. Outside Alaska since 1981, approximately 148 tracts totaling 9,379 acres have been acquired by exchange. The value of the land acquired is estimated at $16 million.

An Interior Inter-Bureau Task Force has been established to expedite exchanges. Two approaches have been taken to expedite the exchange process. The "Track A" approach addresses exchanges that involve large acreage and high value and which may or may not require special authorizing legislation. Secretarial level consideration is required. Other significant exchanges are identified as "Track B." These include exchanges of lower value and/or smaller size and do not require legislation, but nevertheless will be coordinated by the Washington Offices of the bureaus involved and are included in the bureau's Management by Objectives to ensure that the exchanges are completed in a timely manner.

Overall, the fiscal 1987 budget proposed for the National Park Service strikes an effective balance between our objective to improve park programs and the need to reduce Federal expenditures. The "Operation of the National Park System" appropriation ($596.5 million) together with the proposed "Operation of the National Park System - Fee Program" ($59 million) is the largest budget ever proposed to operate the National Park System, an increase of $58.3 million over the 1986 level adjusted for the Gramm-Rudman reductions. However, in order to help meet the fiscal 1987 Gramm-Rudman targets, we are asking for decreases in such appropriations as "National Recreation and Preservation," "Construction," "Land Acquisition," and "Historic Preservation Fund" accounts. The net decrease to the National Park Service for these programs is $166 million.

This budget maintains the Service's commitment of services to the visiting public and our responsible stewardship of America's cultural and natural heritage.

STATEMENT OF WILLIAM PENN MOTT, DIRECTOR, NATIONAL PARK SERVICE, U.S. DEPARTMENT OF THE INTERIOR, BEFORE THE HOUSE SUBCOMMITTEE ON APPROPRIATIONS FOR THE DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES, CONSIDERING THE FISCAL 1987 BUDGET REQUEST FOR THE NATIONAL PARK SERVICE, MARCH 12 AND 13, 1986

Mr. Chairman,

It is my pleasure to appear before this Subcommittee to discuss the fiscal year 1987 budget request of the National Park Service. Since I was named Director of the National Park Service almost 1 year ago, I have had the opportunity to visit many of the diverse natural, cultural and recreational resources of the National Park System. These sites are a justifiable source of pride for all Americans, and are managed by a highly competent and dedicated group of employees who understand the mission of the Service which is to provide public use of 337 units of the System while protecting the resource so that it can be passed on to future generations unimpaired.

The National Park idea is now more than 100 years old, and continues to grow stronger even as the challenges associated with managing and protecting parks become more complex. One of the first actions I took as Director of the National Park Service was to assemble my senior staff to forge a management plan that focus our collective efforts towards meeting these challenges. The resulting 12-Point Plan was completed last summer and has already had the positive effect of strengthening public trust and understanding and stimulating creativity and enthusiasm within the Service. Briefly stated, the 12 points are:

1. Develop a long-range strategy to protect our natural, cultural, and recreational resources.

2. Pursue a creative, expanded land protection initiative.

3. Stimulate and increase our interpretive and visitor service activities for greater public impact.

4. Share effectively with the public our understanding of critical resource issues.

5. Increase public understanding of the role and function of the National Park Service.

6. Expand the role and involvement of citizens and citizen groups at all levels in the National Park Service.

7. Seek a better balance between visitor use and resource management.

8. Enhance our ability to meet the diverse uses that the public expects in national parks.

9. Expand career opportunities for our employees.

10. Plan, design, and maintain appropriate park facilities.

11. Develop a team relationship between concessioners and the National Park Service.

12. Foster and encourage more creativity, efficiency, and effectiveness in the management and administration of the National Park Service.

We are putting the finishing touches on a plan of action that will identify approximately 30 specific objectives we intend to accomplish over the next several years to implement these 12 points. The 10 Regional Directors and each park manager will also develop their action plans, so that together the Service will have a short-and long-range program of accomplishments under the umbrella of the 12-Point Plan.

Mr. Chairman, our 12-Point Plan is, ideally, the first step in a process of change that will carry the National Park System into the future. Implementation of the plan requires most of all innovative leadership and the energy and creativity of the Service's employees. It does not require immense new budgetary resources, but does demand the efficient use of existing resources. That is the general thrust of our budget request for fiscal year 1987. I should mention, Mr. Chairman, that we have over the past several years through more efficient operations, been able to handle the required across-the-board reductions to our base budget and still maintain a quality service to the public. However, we now have reached that point when additional cuts will necessitate substantial reductions in service.

As you know, the Service's budget request includes funding increases that assume increasing entrance fees and using those fee revenues to support our operations budget. Assistant Secretary Horn has outlined the major components of the proposed legislation on recreation fees. I would like to add a word of support for this proposal. My experience as Director of the California State Parks during a period of severe fiscal constraint was that those individuals who use parks do not object to reasonable entrance and user fees provided those fees are retained by the park to help finance the operation of parks. Fees are presently charged at 60 units of the National Park System. The proposed plan envisions collecting entrance fees at approximately 198 units of the System. In the past, there was no overall rationale for charging at those particular sites or for the fee amount. We have worked hard to develop a sound, equitable proposal for charging reasonable entrance fees and at what parks the fees should be collected. I believe this proposal benefits everyone by making it possible for us to do a better job of education and interpretation, resource management, and improved maintenance.

I would like to take a moment to highlight the major components of the 1987 budget request.

Operation of the National Park System

For the "Operation of the National Park System" appropriation, we are requesting $596.5 million. This amount, when considered with the $59 million in revenues from recreation fees under the proposed legislation, would permit several significant increases in park programs including:

—An allocation of $3.6 million to begin a full level of maintenance and visitor services at Ellis Island National Monument and at Castle Clinton National Monument. The latter will serve as a staging area for all visits to Ellis Island and the Statue of Liberty.

—An allocation of $510 thousand for informational publications to ensure that every visitor has access to a map and interpretive information about the park he or she is visiting.

—An increase of $500 thousand for the Volunteers-in-Parks program to the level authorized by Congress so that we can adequately reimburse for personal expenses the thousands of individuals who contribute their time and talent to improving the National Park System. This past fiscal year volunteers contributed 764 workyears of time valued at $10 million.

—An additional $14.2 million to enhance education, interpretation, research and resource management and maintenance in units that collect fees and those units that do not collect fees.

I am proposing increased appropriations to help ensure the effective implementation of regulations governing mining and minerals activities in Alaska parks, and the protection of natural water flows in western parks.

National Recreation and Preservation

The request for National Recreation and Preservation Programs is $9.5 million. Funding for National Register Programs reflects no change from the amount appropriated in 1986. We are proposing reductions in recreation assistance and rivers and trails programs which reflect overall budget priorities, declining workload, and our belief that State and local organizations can function effectively without direct Federal support.

Construction

The budget request for Construction, $29.1 million, includes 8 projects in 7 parks to correct deficiencies in utility and support systems and protect park resources. These projects are:

Bryce Canyon National Park	
Rehabilitate Bryce Canyon Lodge	$1,800,000
Chickasaw National Recreation Area	
Rehabilitate Sewage System, Travertine District (Phase II)	870,000

Death Valley National Monument Replace Motel Building, Concessioner Storage Building, and Employee Trailer Court	900,000
Fort McHenry National Monument Rehabilitate Historic Seawall	860,000
Grand Canyon National Park Reconstruct Water Distribution System, Village Area (Phase III)	4,181,000
Yellowstone National Park Rehabilitate Purchased Concessions Facilities (Phase II)	3,357,000
Yosemite National Park Rehabilitate Electrical System (Phase II)	3,740,000
Yosemite National Park Construct Employee Housing, El Portal	3,610,000

Land Acquisition

We are proposing $15.3 million for Land Acquisition in fiscal year 1987. Within this amount we will focus our efforts and land exchanges on other alternatives to full fee acquisition and continue to acquire tracts where there is a willing seller or an emergency or hardship situation requiring prompt action.

John F. Kennedy Center for the Performing Arts

Finally, funding for the John F. Kennedy Center will be maintained at the base level of $4.77 million in 1987.

This concludes my prepared statement. I will be happy to answer any questions you or the other members of the Subcommittee may have.

COST OF OPERATIONS

Mr. YATES. Mr. Horn, do you want to tell us what you think about the operation of the parks at the present time and what your problems are?

Mr. HORN. At present, we are operating with the $597 million budget.

Mr. YATES. You have already told us that. Does Mr. Mott agree with what you say?

Mr. HORN. I believe he does.

Mr. YATES. Would you want to say so yourself, Mr. Mott?

Mr. MOTT. I think we can live with the budget that we have for 1987.

Mr. AUCOIN. Can you prosper with the budget?

Mr. MOTT. Prosper with it? Well, I think it is limited, but I think we can continue to operate in a satisfactory manner.

Mr. AUCOIN. Live or live long?

Mr. MOTT. Live with it.

Mr. YATES. Let's take a look at an article which appeared in the New York Times on February 13th, just about a month ago. I will read from it, and then I will ask Mr. Mott some questions.

There is a good picture of you here, Mr. Mott, beside the shield of the National Park Service. "Parks provide people a sense of stability" is what you are quoted as saying. Will your budget permit you to provide people with a sense of stability?

Mr. MOTT. The idea of stability is that people can come back to Yosemite, Grand Canyon, Independence Hall, and they know that their children can come, their grandchildren can come, their great grandchildren can come and they will find those areas still there. Here we are in a very mobile society with people moving up and down the country, cities being rebuilt every 50 years, but the National Park Service provides them with the stability that, I think, is very important along with health and——

Mr. YATES. How do we provide the Park Service with stability? Does this budget provide you with the stability?

Mr. MOTT. At this present time, I think, we can handle the situation.

Mr. YATES. At this present time you can handle the situation. What if the budget is cut next year? Wait a minute. We are talking about 1987 and a Gramm-Rudman cut, aren't we?

Mr. MOTT. That is right. If we have the fee schedule, we get the money from entrance fees——

Mr. YATES. Suppose you don't get the fee schedule?

ADJUSTMENTS NECESSARY WITHOUT FEE INCREASES

Mr. MOTT. Then we will have to make some adjustments.

Mr. YATES. What kind of adjustments will you have to make?

Mr. MOTT. I can't answer that question at this point because I don't have that information, but I think we will have to make some rather substantial adjustments.

Mr. YATES. Can you give us some insights as to what those adjustments are likely to be?

Mr. **Mott**. Well, it will probably reduce our ability to hire seasonal personnel quite considerably because that is where most of the adjustment can be made.

Mr. **Yates**. How much money is involved in that?

Mr. **Mott**. About $59 million.

Mr. **Yates**. How much of this is supposed to come from fees, $50 million?

Mr. **Mott**. About $59 million.

Mr. **Yates**. So you won't have seasonal personnel. What does that do? Would that put the whole burden on your permanent personnel, then?

Mr. **Mott**. That's right.

Mr. **Yates**. They don't have enough to do now, do they?

Mr. **Mott**. You mean they don't have enough work to do now?

Mr. **Yates**. Yes.

Mr. **Mott**. No, that's not true.

Mr. **Yates**. Oh, they do have. And this will add to those duties, if you don't get the fee schedule? Congress may not give you the fees.

Mr. **Mott**. Well, if they don't give us the fees, then we will have to reduce our seasonal personnel quite considerably.

Mr. **Yates**. Suppose Congress doesn't give you the fees. Should this committee give you that money? What happens if we—well, let's see what the consequences are of reducing your seasonal personnel. What happens if you do not have seasonal personnel?

EFFECTS OF CUTS IN SEASONAL HELP

Mr. **Mott**. It will mean probably considerably reducing our interpretive program, it will probably require considerable reduction in services that we provide to the public.

Mr. **Yates**. Such as?

Mr. **Mott**. Such as the maintenance of our campgrounds, the maintenance of our trails, maintenance of our facilities.

Mr. **Yates**. What about safety?

Mr. **Mott**. This would be the last thing that we would make any cuts on because we think that public safety is primarily the most important objective that we have to be concerned about.

ORIGINAL BUDGET REQUEST

Mr. **Yates**. Now, let's see. How much did you ask OMB for?

Was your request to OMB predicated on passage of Gramm-Rudman?

Mr. **Salisbury**. No, sir; it was not.

Mr. **Yates**. You asked OMB for—what is the total amount here, $587 million? Let's talk only about operations at the moment. The total for the National Park Service, page 22 of your budget request, of your supplemental information.

You asked the department for $843,969,000. What is the budget for this year? This year the budget we finally approved, we the Congress—I want a comparable figure to that. Where is it? Mr. Budget Officer, what is the comparable figure to the amount that the Congress approved last year of $876,160,000, in this budget?

Mr. **Salisbury**. In this budget?

Mr. **Yates.** The total figure we have here is $843 million. That's what you asked OMB for. That includes permanent appropriations. What is the comparable figure minus the permanent appropriations?

Mr. **Salisbury.** Was the figure $838 million that you read previously?

Mr. **Yates.** $876,160,000 was the total, outside of permanent appropriations.

Mr. **Salisbury.** Right.

Mr. **Yates.** The figure you have given us in the supplemental chart shows permanent appropriations as well. What I am trying to find out is what is the comparable figure in this year's budget to the $876 million?

Mr. **Salisbury.** Right. The $876 million, of course, did not include the Gramm-Rudman reductions. That got us down to—

Mr. **Yates.** Wait a minute. Your request to the department went forward before Gramm-Rudman. What was the figure that you asked the department for which compares to the $876 million?

Mr. **Salisbury.** $843 million.

Mr. **Yates.** That includes permanent appropriations; doesn't it?

Mr. **Salisbury.** Excuse me. It is $825 million.

Mr. **Yates.** Even before Gramm-Rudman, if I understand what you are saying, you were cutting the request to the department by $50 million; is that correct?

Mr. **Salisbury.** Yes, sir.

Mr. **Yates.** Why were you doing that?

Mr. **Salisbury.** In the budget process of going to the department, we are given targets which we are required to hit.

Mr. **Yates.** Who gave you the targets you were required to hit?

Mr. **Salisbury.** The department.

Mr. **Yates.** Who in the department? Mr. Horn or his predecessor?

Mr. **Salisbury.** Probably Mr. Itteilag might be able to speak to that.

Mr. **Yates.** Mr. Itteilag, why did you reduce it by $50 million?

Mr. **Itteilag.** Mr. Chairman, the best explanation for that is the budget base emulating from the 1986 President's budget included virtually no funds for land acquisition and a very much reduced construction program.

Mr. **Yates.** For 1986?

Mr. **Itteilag.** For 1986.

Mr. **Yates.** You reduced it by another $50 million?

Mr. **Itteilag.** No. Those policies were continued in the administration's 1986 budget into 1987 and the subsequent years, which established the base from which we started for 1987.

Mr. **Salisbury.** Mr. Chairman, as we were preparing this budget back in August and September of last year and really didn't know what our final appropriations were going to be, which of course didn't occur until December. We were preparing the budget without knowing exactly what we had in 1986. We were working on 1987 numbers.

COMPARISON WITH LAST YEAR'S BUDGET

Mr. Yates. That's true. I should ask you what the comparable figure was for the previous year then, shouldn't I, for 1986 that you asked the department for?

Mr. Salisbury. For 1986?

Mr. Yates. Yes.

Mr. Salisbury. We would have furnished that to the committees last year. I'm not sure we have that with us. I can certainly provide it.

[The information follows:]

FISCAL YEAR 1986 BUDGET REQUEST

The table below compares the National Park Service's initial request to the Department for fiscal year 1986 with the amount appropriated under Public Law 99-190.

[Dollar amounts in thousands]

Appropriation	Request to Department	Appropriated Public Law 99-190	Difference
Operation of the National Park System	697,053	623,996	−73,057
National recreation and preservation	9,693	11,029	+1,336
Construction	78,091	113,436	+35,345
Land acquisition	72,700	97,810	+25,110
John F. Kennedy Center for the Performing Arts	4,563	4,771	+208
Visitor facilities fund	8,900	[1] (8,500)	−8,900
Historic preservation fund		24,795	+24,795
Illinois and Michigan Canal National Heritage Corridor Commission		248	+248
Jefferson National Expansion Memorial Commission		75	+75
Total	871,000	876,160	+5,160

[1] Included under the Construction appropriation.

Mr. Yates. I am trying to find out why you cut your request by $50 million. You cut down the amount you wanted for acquisition? Is that what that reduction is?

Mr. Itteilag. In general, Mr. Chairman, it would have reflected the fact that the President's budget plan for 1987 included less money for land acquisition and construction than Congress has appropriated.

Mr. Yates. How much would you have included for operations, apart from those subjects? How much for the actual park operations themselves? Would it be the same amount of money or more?

Mr. Itteilag. It probably was about the same amount of money with maybe a slight boost for inflation, I would suspect.

Mr. Yates. Can somebody verify this was done?

Mr. Salisbury. Our request to the department was $662 million.

Mr. Yates. Right. $662 million and the department cut that by $15 million; right?

Mr. Salisbury. Yes, sir.

Mr. Yates. They approved $647 million.

Mr. Salisbury. Yes, sir.

Mr. Yates. That is what you went to OMB with and OMB gave you more money, didn't they? They gave you an additional $7 million?

Mr. Salisbury. Yes, sir.

Mr. Yates. They gave you an extra $7 million and they cut you by $59 million; didn't they? It was the difference you could make up by fees; right?

Mr. Salisbury. Yes, sir. The proposal before you now has $59 million of fees.

Mr. Yates. That was a reduction in money for operations; wasn't it?

Mr. Salisbury. No. It is not a reduction in money for operations. It is just a different source of appropriations.

Mr. Yates. That's right. If you don't get the fee money, operations will have to have a reduction of $59 million? That is what Mr. Mott just told us, too.

Mr. Salisbury. Yes, sir.

Mr. Yates. $59 million of your operations. In other words, Mr. Mott's statement is correct. All of your seasonal personnel are reflected on the question of whether Congress gives you the fees or not?

Mr. Salisbury. I don't believe it is all of them, Mr. Chairman, but certainly that is one of the areas where we have flexibility to make reductions.

COST OF SEASONAL HELP

Mr. Yates. Is Mr. Mott right in saying your seasonal employee payroll amounts to about $59 million?

Mr. Salisbury. No, sir.

Mr. Yates. How much does it amount to? The $59 million you spoke about, Mr. Mott, reflects seasonal employees plus other types?

Mr. Mott. The seasonal employee payroll, I am sure, is much larger than $59 million.

Mr. Yates. Is it?

Mr. Mott. What I said was the $59 million would probably have to come from the only area where we have flexibility. Beyond that, we would have to begin furloughing or terminating permanent employees. That is a long process. The other areas of flexibility are limited. Where we have flexibility is in seasonal employees.

Mr. Yates. Did you want to tell us what the seasonal payroll is?

Mr. Salisbury. It is about $65 million. That is not to say that if we did not get the $59 million, all our seasonals would be cut out. We would do less maintenance.

Mr. Yates. How could you do less maintenance than you are doing now?

Mr. Salisbury. We would just have to defer some of our maintenance projects to a subsequent fiscal year.

Mr. Yates. In other words, you would re-schedule it?

Mr. Salisbury. Yes, sir.

USEAGE OF THE $59 MILLION

Mr. **Yates**. Judging by what appears on page eight of your National Park Service justification, how badly are you hurt if you don't get the $59 million? According to that, the $59 million isn't really for your seasonal employees. It shows that the $59 million, as you have allocated, would go: $6 million for fee collection activities, $2.8 million for informational publications, $4.2 for visitor transportation systems, $3.9 million for Harpers Ferry exhibit rehabilitation program, $5 million for cultural resources preservation, $6.9 million for natural resources preservation, $487,000 for volunteers-in-parks and $9 million for maintenance, repair and rehabilitation projects.

That totals $38.7 million. In addition to that, $10,000 would go for information publications; $503,000 for volunteers-in-parks program, an additional $5 million for fee collection costs and $14 million for enhanced park operating programs. That is a key subject there.

What do you mean by "enhanced park operating programs?"

Mr. **Mott**. The concept that we have is that this $14 million would then be reallocated to those parks that collect fees and those that do not collect fees. It would be allocated on the basis of about 75 percent going to those parks that collect fees, 25 percent to those that do not collect fees. It could be used by those parks in the areas that we are concerned about: Interpretation, research, resource management and some maintenance and operations.

Those figures are the way we would allocate the $59 million that we get from fee collections.

Mr. **Yates**. That doesn't seem to include, as you have itemized it, your seasonal employees, does it?

Mr. **Salisbury**. No, sir, Mr. Chairman. If we were not to receive the $59 million, we would have to do some re-orienting within the budget. The activities that are shown in the $59 million were put there generally because they are not FTE intensive and are more project oriented.

Clearly, some of these projects we would want to do within appropriated funds, and we would probably have to come back to the committee with a different distribution of the appropriated funds than the ones you now see in the budget.

Mr. **Yates**. Do you want to submit that for the record, what you would do if you didn't have it? You say if you don't get the $59 million, this schedule that appears on NPS 8 is obsolete now.

Mr. **Salisbury**. We would have to make some redistributions in our appropriated funds in order to accommodate some of these projects. We could submit that for the record.

Mr. **Yates**. You can tell us what would happen if you didn't have the fees allowed?

Mr. **Salisbury**. Yes, sir.

[The information follows:]

National Park Service
Fiscal 1987 Budget Request
Impact of Eliminating Proposed Recreation Fee Account

The following information details the impact to the fiscal 1987 National Park Service budget request based upon the assumption that the proposed fee legislation will not be enacted. The information was provided to the Washington Office by the Field on short notice and represents the best estimate at present as to the possible impact of such an occurrence.

Without the $59 million that would be derived from increased user fees, the National Park Service's operating budget request is $596.5 million for fiscal 1987. Changes from the fiscal 1986 appropriation to reach the fiscal 1987 request level are indicated below:

	($000)
FY 1986 Appropriation	623,996
Gramm-Rudman-Hollings Reductions	-26,832
Subtotal	597,164
Less the following decreases proposed in the fiscal year 1987 budget:	
Folgers Library	-174
Corcoran Gallery	-174
Phillips Gallery	-174
Arena Stage	-174
National Capital Children's Museum	-174
National Building Museum	-174
McKinley Tomb	-447
Jubilee Hall Restoration	-168
Support for US/ICOMOS	-119
Support for park program in Latin America	-249
Subtotal, Decreases	-2,027
Plus the following increases proposed in the fiscal year 1987 budget (Note: the amount for Ellis Island is reduced $577,000 from the original request).	
GSA Space Costs	+1,169
President's Commission on Americans Outdoors	+314
Other fixed cost increases (postage, telephone, etc.)	+2,585
Statue of Liberty/Ellis Island operations	+3,000
Alaska mining and mineral operations	+2,700
Constitution Bicentennial	+353

Yosemite Electrical costs	+700
Haslett Warehouse--recurring maintenance & security	+85
Employee Transfer Cost for Alaska	+210
Water Rights--support litigation in Western States	+1,000
Uniform Allowance increase	+450
Wildfire transfer from BLM	+150
Subtotal, Increases	+12,716
Further FY 1987 reductions to offset loss of fee revenues (Detailed below)	-11,371
Revised 1987 Request	596,482

As the above table indicates, the Gramm-Rudman-Hollings reductions would be carried forward into fiscal 1987. Those programs that the Service is proposing to transfer from the Operation of the National Park System appropriation to the recreation fee account would be funded within the $596.5 million at the 1986 level. Further reductions of $11.4 million beyond the fiscal 1986 level would be necessary to offset a net increase of $10.7 million, primarily for fixed cost items, Ellis Island operations, and other critical needs, that was included in the President's budget request.

In general, most Regions have indicated that these additional reductions would be taken in Regionwide maintenance programs. This action would be viewed as a short term solution, until a more thorough review of park operating needs could be completed. Three Regions have indicated that park operating programs would be further reduced. Following, by category, is a description of the $11.4 million reduction that would be necessary to hold the total budget request to the $596.5 million level.

	Reduction $(000)
Regionwide Cyclic Maintenance Program	1,374

A reduction of $1.374 million for cyclic maintenance projects result in the deferral of the lowest priority maintenance projects. This decrease could contribute to the gradual decline in the condition of park facilities, and potentially higher long-term maintenance and rehabilitation costs. Examples of projects which would likely be deferred due to the loss of fee revenue include:

- Seal and Chip Roads (Death Valley National Monument)
- Reroof Comfort Stations (Whiskeytown National Recreation Area)
- Paint Garbage Cans (Pinnacles National Monument)
- Paint Water Storage Tank (El Morro National Monument)
- Replace Boundary Fence (Padre Island National Seashore)
- Campground Maintenance for 150 Sites (Blue Ridge Parkway)

Regionwide Cultural Cyclic Maintenance Program 500

A decrease of $.5 million would be implemented by deferring the lowest priority maintenance projects. As in the above case the long term impacts of such a reduction include the loss of historic fabric, the eventual decline in the condition of historic buildings, structures, and objects, and potentially higher long-term preservation costs. Types of projects which would likely be deferred due to the loss of fee revenue include painting of historic structures, preservation treatment of historic objects, and preventative maintenance of masonry.

Regionwide Repair and Rehabilitation Program 5,080

This would result in the deferral of lowest priority maintenance projects, a gradual decline in the condition of park facilities, and potentially higher long-term rehabilitation costs. Examples of projects which would likely be deferred due to the loss of fee revenue include:

- Rehabilitate Queets Ranger Station (Olympic National Park)
- Replace Sewer Line, Longmire (Mount Rainier National Park)
- Repair Bulkheads, Harkers Island (Cape Lookout National Seashore)
- Rehabilitate Entrance Station (Everglades National Park)
- Rehabilitate Trails (Big Bend National Park)
- Repair Heating and Air Conditioning System (Joshua Tree National Monument)
- Rewire 10 Buildings (Blue Ridge Parkway)

Regionwide Equipment Replacement Program 500

Funds budgeted for equipment replacement would be decreased in several regions, particularly funds earmarked for vehicle replacement. This will likely result in increased down time, higher maintenance costs in the long term, and decreased overall efficiency. Examples of the types of equipment that would be affected include:

- One Ton Truck (Hawaii Volcanoes National Park)
- Air Compressor (Chiricahua National Monument)
- Tractor (Lava Beds National Monument)
- Fork Lift (Redwood National Park)
- Grader (Carlsbad Caverns National Park)

Other Regionwide Programs 535

Types of programs affected include Regionwide Natural Science, Incidental Personnel Costs, Regional Administration, and Park Support and Professional Services. The types of impact which would occur include:

- Decreased adminstrative support due to lapsing of positions;
- Deferral of science studies; reduced exotic plant management;
- Further reductions in training and travel;
- Employee mobility would be hampered unless park is able to absorb a higher portion of employee transfer costs;
- Acquisition of computer hardware and software would be deferred;
- Decreased assistance and support to small parks by regional office staff.

WASO and Servicewide Programs 1,230

This would result in the deferral of approximately 10% of the Natural and Cultural Resource Preservation projects currently accomplished in a year, including:

- Ruins Stabilization
- Historic Fabric Preservation
- Resource Monitoring
- Ongoing Studies
- Curatorial Cataloging and Treatment

U.S. Park Police 492

Guard service would be eliminated at various sites in the Washington Metro Area including the John F. Kennedy Center, Ford's Theater, and the Frederick Douglas Home. Protection of areas normally serviced by the Guard Force would be accomplished through occasional security checks by assigned beat officers. Planned overtime, for such events as the School Patrol Parade, Malcolm X Day, Folk Festival, Watergate Concerts, VIP escorts, Cherry Blossom Festival, Rambling Raft Race, Pageant of Peace, and 4th of July activities would be curtailed. A smaller reduction of services of Park Police assigned to Gateway National Recreational Area, New York, would also result.

Park Operating Programs 1,660

Filling of permanent positions would be delayed and parks would be unable to fill some seasonal ranger and maintenance positions. In some cases, significant impacts on interpretive and maintenance programs will be felt, particularly in conjunction with the Gramm-Rudman-Hollings reductions already enacted in fiscal 1986. Supplies, materials, travel, and training would be further reduced. Examples of the types of impacts at particular parks include:

- Chesapeake and Ohio Canal National Historical Park: Closure of Hancock Visitor Center; elimination of seasonal maintenance support in Great Falls area; elimination of seasonal radio dispatch; reduction of supplies and materials for preventative maintenance.

- National Capital Parks-Central: Eliminate 11 seasonals, reducing the frequency of litter pickup and grass mowing; reduce by one-third the seasonal employees staffing the Lincoln, Jefferson, Washington, and Vietnam Veterans' Memorials; reduce by one-half the amount of flowers purchased for various floral displays throughout the District; reduce the purchase of horticultural supplies, such as grass seed.

- Indiana Dunes National Lakeshore: Reduce road maintenance on non-park owned roads within the Lakeshore; defer restoration of South Shore Railroad cars.

Mr. YATES. Suppose you didn't have the $59 million fee schedule, would that have an impact on your permanent employees?

Mr. MOTT. It could. It would depend on how we re-orient our funds that would be available from the appropriated funds. We might have to furlough or terminate some of our permanent employees in order to make up that difference. If we terminate employees, it becomes a long process and may not affect the budget that particular year, but would affect it in the subsequent year. We have to do it in the budget year and we have to use those areas where we have the flexibility, which gets back to the seasonal employees plus reducing our maintenance schedules and things of that sort.

Mr. YATES. The way I see it, Congress isn't enamored of the idea of giving you $59 million in additional fees. For one, I don't like seeing a $10.00 entrance fee for coming into the parks. I think that is a pretty big jump. I don't think your Golden Eagle program should be increased from $10.00 to $40.00. Of course, I am only one member of Congress. I don't know how the other members of Congress will vote.

I think it is reasonable for you to act as though you did not have the $59 million in your budget. That is what my questions will be pointed to as we go through this interrogation.

PERMANENT EMPLOYEES

Do you have too many permanent employees now?

Mr. MOTT. Do we have too many? I don't think so.

Mr. YATES. Do you have enough permanent employees now?

Mr. MOTT. We have enough permanent employees if we can maintain our seasonal employees to take care of the summer activities. We get a great increase in visitation during the summer months.

Mr. YATES. What you are saying is you don't have enough permanent employees now. It is made up by seasonal employees; right? Is what you are saying that you have enough permanent employees to deal with the operations of the parks now except for the rush of the summer months?

Mr. MOTT. That's correct.

Mr. YATES. During the rush of the summer months. What are the summer months that you need your extra employees?

Mr. MOTT. From Memorial Day to Labor Day. We have to have that flexibility to operate. If we try to increase our permanent employees to handle our summer program, then in the winter time, we would have excess employees because of the closing down of our operations during the winter months.

Mr. YATES. How many parks do you close during the winter months?

Mr. MOTT. We don't close any parks in the winter months. For instance, at Glacier National Park, we have very limited activities during the winter months; the same is true at Yellowstone National Park. There is work for the permanent employees to do during that period of time. If we had as many permanent personnel in those parks in the winter that we need in the summer time to take care of the large number of people visiting from Memorial Day to

Labor Day, we would then have more permanent employees than we would really need to carry out our responsibilities.

EFFECTS OF NOT GETTING FEE INCREASE

Mr. YATES. What happens if Congress decides to cut your budget beyond the $59 million?

Mr. MOTT. Beyond the $59 million? We might have to close some of our areas down.

Mr. YATES. Are you saying the budget, excluding the $59 million, is a skeletal budget?

Mr. MOTT. It is an efficient, lean budget that we can live with, if we have the $59 million from fees and charges.

Mr. YATES. I am saying if you don't get the $59 million.

Mr. MOTT. We have a difficult budget to deal with. We would have to look at that whole program and see just how we could handle it.

Mr. HORN. If I might add, Mr. Chairman, the situation we would face in 1987 without the enactment of the fees would leave us essentially where we are at present. Our base appropriations request in 1987 is $596 million, and the base appropriations after the 4.3 percent sequestration in 1986 is $597 million.

The problems that we are facing at present in meeting the Gramm-Rudman targets in fiscal year 1986 would continue into fiscal year 1987 if we don't get the fee proposal enacted by Congress.

EFFECTS OF GRAMM-RUDMAN CUT

Mr. YATES. I think you have raised a very important point. What is the effect of the 4.3 Gramm-Rudman cut?

If you don't have fees, you don't know whether Congress will act in time for your seasonal rush starting on May 31st. The probabilities are that you won't get it by May 31st, because that's, what, two months away?

Mr. MOTT. We're assuming that the fees would not be available until the fiscal year 1987 budget.

Mr. YATES. Oh, okay. All right. What is the effect of the 4.3 cut?

Mr. MOTT. We can handle that this season, in fiscal year 1986.

Mr. YATES. Yes, but, Mr. Mott, you can handle it, but what does this mean in terms of the operation of the parks, "We can handle it?"

Congress wants the parks to be operated in a way that will provide significant and memorable experiences to the American people when they visit the parks. If you are handling the budget, as you say, a budget that's cut and may be cut even more, will that permit that kind of a reaction?

Mr. MOTT. We've asked each of our Regional Directors to provide us with park-by-park information as to how they can handle the program in fiscal year 1986 without closing campgrounds, without serious disruption of our interpretive programs and so forth, and they are preparing that information, and we would be pleased to make that data available to you as to how we're going to handle it in fiscal year 1986.

[COMMITTEE NOTE.—The information will be maintained in committee files.]

Mr. YATES. How much money is available for interpretive programs throughout the system?

Mr. SALISBURY. $62 million, Mr. Chairman, after Gramm-Rudman.

Mr. YATES. That would be how much before Gramm-Rudman?

Mr. SALISBURY. $65 million.

Mr. YATES. You're talking about the 4.3 Gramm-Rudman?

Mr. SALISBURY. Yes, sir.

Mr. YATES. But you're not talking about the 1987 Gramm-Rudman?

Mr. SALISBURY. No, sir. This budget does not contemplate a Gramm-Rudman cut in fiscal year 1987.

Mr. YATES. It does not. You're very optimistic, then, aren't you? Well, what if you get a Gramm-Rudman cut? They're talking about a 10 percent cut, aren't they, for 1987 to bring it within——

Mr. MOTT. Operating within the figures which we've been given, which represents, as I understand, cuts that have already been accepted and have been taken out. The budget that we are presenting, together with the fee schedule, is within the limitations as set by Gramm-Rudman.

Mr. YATES. For 1987 as well?

Mr. MOTT. For fiscal year 1987.

Mr. YATES. Is that the way you understand it?

Mr. SALISBURY. Yes, sir. The President's budget overall, it's my understanding, meets the Gramm-Rudman target in fiscal year 1987 of a $144 billion deficit. We're part of that. So if that were to be enacted, there would be no Gramm-Rudman reduction.

Mr. YATES. Okay. So that your budget is predicated on the accuracy and validity of the President's budget. And if the President's budget misspoke what the financial situation is, as for example, the Chairman of the House Budget Committee has indicated that it was $15 billion short in its estimates of the military part of the budget, if those estimates are not correct and the cut is likely to be greater, then you're faced with a further reduction, are you not?

Mr. SALISBURY. That's possible if that is, in fact, the case.

Mr. YATES. That's right. That's why everybody is afraid of Gramm-Rudman-1987.

Mr. Mott, is this what you expected to find? How long have you been head of the National Park Service now?

Mr. MOTT. Since May 1985.

Mr. YATES. Okay. Is this what you expected to find when you came in?

Mr. MOTT. Well, I understood that there would probably be need to reduce the Federal debt, and that we have to be a part of that reduction. I think that our organization has the innovative and creative ability to adjust to these situations and to come up with new ideas and new concepts on how to handle these matters.

Mr. YATES. Well, now how have you applied the 4.3 cut? Across-the-board for all your parks?

Mr. MOTT. Right down to the individual park units and the line item budget items within those park units.

Mr. Yates. If you had your druthers, is that what you'd do, or would you close some of them and give more money to others?

Mr. Mott. We don't anticipate closing any of our units.

Mr. Yates. Which of your parks are suffering now? Any of them due to lack of funds?

Mr. Mott. At the present time? I think all of our parks are operating very efficiently, and I think that we will provide for the public a quality service in fiscal year 1986.

NEWS ARTICLE ON MR. MOTT

Mr. Yates. Let's read from the article about Mr. Mott. "Mr. Mott was known as an ardent advocate of parks and a lifelong spokesman for the preservation of land and natural resources."

Is that an accurate statement, Mr. Mott?

Mr. Mott. That's correct.

Mr. Yates. And as Chief of the California State Park System, when Ronald Reagan was Governor, you played a key role in the expansion of that system. But when it came to your being named—I'm transposing "your" for "his"—but when it came to your being named head of the National Park Service, "Mr. Mott did not seem to fit the pattern of Reagan Administration land managers, a pattern established by former Interior Secretary James G. Watt. The administration had adamantly opposed new land acquisition for the national parks, partly for fiscal reasons and partly because of a philosophical belief among many of its officials that land was better used in private than in public hands. Mr. Mott, who is 76 years old, was a preservationist coming into an administration that put considerable emphasis on development, whereas some preservationists contended that he was a tree-hugger among timber cutters." [Laughter.]

Is that true, Mr. Mott? Are you a tree-hugger?

Mr. Mott. I'm a tree-hugger.

Mr. Yates. You like trees? [Laughter.]

You don't think trees cause pollution? [Laughter.]

Mr. Mott. Hardly. People cause pollution, not trees.

Mr. Yates. I heard that statement somewhere. [Laughter.]

Okay. "As Park Service Chief, Mr. Mott has crisscrossed the country, advocating an expanded, better protected National Park System."

Is that true, Mr. Mott?

Mr. Mott. That's correct.

Mr. Yates. And does the budget permit you to do that?

Mr. Mott. At the present time, it does.

Mr. Yates. It does? Expanded? Better?

Mr. Mott. We are looking at the Tall Grass Prairie National Park, an addition to the system at the present time.

Mr. Yates. Yes. An expanded system? Better protected?

Now what does "better protected" mean? What does that phrase mean, "an expanded, better protected National Park System?" I would have thought that you needed some money for better protection. But apparently you don't think so.

Mr. Mott. We can always use additional money, but I think that it's also important that we operate effectively and efficiently in carrying out our responsibilities, and I think that our staff and our people—and I might say that the employees of the National Park Service are extremely dedicated and very creative individuals, and they are able to take care of these reductions at this particular time and still do a quality job.

EMPLOYMENT AT NATIONAL PARK SERVICE

Mr. YATES. Well, I think that's wonderful. I agree with you about your permanent employees. Why, then, does the number of full-time permanents go down from 1986 to 1987? Why are you cutting them off, if they're doing such a good job?

Mr. MOTT. I don't think we're terminating any permanent employees. There are some employees who may be retiring or leaving the service.

Mr. YATES. Take a look at page NPS-153.

Mr. MOTT. Most of those employees, Mr. Chairman, are employees that are at our Denver Service Center, and with the reduction in the amount of construction that's going on, obviously there would be some major reductions in personnel requirements at the Denver Service Center.

Mr. YATES. Well, this shows a reduction of approximately 100 people. Are they all at Denver?

Mr. MOTT. 142 are out at Denver.

Mr. YATES. So they're all out at Denver, then?

Mr. SALISBURY. Mr. Chairman, the number that you see there includes some transfers of certain functions to the fee account and out of the appropriation account. You see a decrease here, but if you look over in the proposed legislation, you see an increase of 528.

Mr. YATES. I keep repeating at various times throughout the hearings when I hear statements like that, that I'm reminded of the remark made by Dr. Samuel Johnson when he was told of the second marriage of a friend, "It is the triumph of hope over experience." [Laughter.]

What's been your experience? [Laughter.]

Mr. SALISBURY. Having never been married, I'm still hoping, Mr. Chairman. [Laughter.]

Mr. MOTT. You asked the wrong person. [Laughter.]

Mr. YATES. I think I asked the right person. [Laughter.]

NEW ADDITIONS TO THE PARK SYSTEM

Okay. We want a better protected, expanded National Park System. So Mr. Mott has proposed the creation of a Tall Grass Prairie Park in Oklahoma.

Is that in this budget?

Mr. SALISBURY. No, sir.

Mr. YATES. It's not, is it?

You also have a proposal for a Great Basin Park in Nevada. Is that in this budget?

Mr. SALISBURY. No, sir.

Mr. YATES. No, okay.

And then you want another new park along a river still to be designated, have called for land acquisition to protect the Everglades National Park and Big Cypress National Preserve in Florida.

Are funds for those acquisitions in this budget?

Mr. SALISBURY. No, sir.

LAND EXCHANGE TECHNIQUES

Mr. HORN. Mr. Chairman, if I may, on a number of those issues, Tall Grass and Everglades, for example—and I think the Director can address the river question—on the issue of the Tall Grass Prairie unit, we are presently actively working with Congress and, in particular, with the members of the Oklahoma delegation on seeing if we can put together a proposal that will garner the necessary local support, congressional support, and administration support to see if we can create that unit. If we are able to get the authorization from Congress, we would use land exchange techniques to acquire the core area of the units as presently being looked at. We would try to do that without tapping the Federal Treasury.

Similarly, in the Florida circumstance, we are having a number of discussions with different parties, looking at not only Everglades and Big Cypress, but critical habitat on the Florida panther, to see if some of those lands may well be obtained through the exchange mechanism as opposed to purchase with appropriated funds.

Thus we are actively seeking and trying to work in the direction of expansion, but trying to do so without tapping the Treasury, using these different acquisition tools.

Mr. YATES. How successful have you been in doing that?

Mr. HORN. We haven't been able to culminate these particular items yet. They've been high priority. We've been working on them since the fall, and I'm hopeful, but I frankly couldn't give you an answer as to when we would expect success to occur.

Mr. YATES. Well, in your acquisitions over the last few years, how many acquisitions have you acquired through exchange rather than purchase?

Mr. HORN. I know that in my personal experience, working on a number in Alaska, we basically engaged in eight exchanges and donations that have all stood up. Those eight particular efforts added over 1.2 million acres in aggregate to the park refuge and recreation area systems within Alaska. So we've been fairly successful there, and I know the Park Service has engaged in a number of exchanges over the last four years that acquired approximately $16 million worth of land.

We frankly think that there are greater and better opportunities to more actively use the exchange mechanism, and it's a commitment that I have and the Secretary has to make this work. We think it's a necessary alternative in a time of fiscal constraint.

Mr. YATES. Well, Mr. Secretary Watt came to office with that proposal five years ago, and there haven't been many exchanges that have taken place since that time, unless perhaps you can work it out better than he could.

Yes, did you want to say something?

Mr. Galvin. Mr. Chairman, outside Alaska since 1981, approximately 148 tracts totalling 9,400 acres have been acquired by exchange.

Mr. Yates. 9,400; and what have you exchanged for those?

Mr. Galvin. Generally BLM lands with mineral values.

WILD NATURAL RIVER SYSTEM

Mr. Mott. I might mention, Mr. Chairman, on the wild river, that this was an area that I felt we did not have a representation for future generations to see what a wild natural river system looked like. I thought it was very important that something like that be added to the National Park Service. We're not going to acquire any more Yellowstones and Yosemites. From our studies, I was quite surprised to find that there were 300 such rivers in the United States, the lower 48 states.

We have now dwindled that down to approximately 25 river systems, and we will be discussing that with other units of Government that are involved in some of the lands. We will be making that information available for public discussion.

At no time during this recommendation that I made has the administration or the Secretary said that we should not go forward with this program, so I think we are looking at the possibility of adding to the national park system those areas that are not represented at the present time, such as the Tall Grass Prairie, the wild and natural river system and such other areas that have been recommended and proposed.

Mr. Yates. All right. I will continue to read from the article. Paul Pritchard says you have been opposed at every turn by top officials of the Interior Department. It says Mott has been trying hard and doing a terrific job. The problem is he just is not getting any support. Administration officials deny they are not supporting Mr. Mott. They say some of his proposals are not being financed simply because there is just not enough money.

LAND EXCHANGE VERSUS ACQUISITION

We have heard that for a couple of years, have we not?

And the budget has no funds for land acquisition and you want to recapture some of the money that we appropriated last year for land acquisition. In other words, we ought to rescind and defer the land acquisition funds we put in last year, that we put in so that you could buy some land.

Perhaps we ought to do that, so you can exchange it, rather than buying it. How long does this exchange process take, longer than the buying process?

Mr. Galvin. I would say, generally, the exchange process can take longer. I do not think there is a rule of thumb.

Mr. Yates. But you have to find the land to be exchanged, do you not?

Mr. Galvin. Yes, sir.

Mr. Yates. It is a lot easier to have the money to pay for it, is it not?

Mr. Galvin. Generally that would be true.

Mr. Yates. Do you want to be specific about it?

[Laughter.]

Mr. **Galvin**. I prefer to stand on my general statement.

[Laughter.]

Mr. **Yates**. Okay, general.

CAPE COD NATIONAL SEASHORE ADVISORY COMMISSION

Okay, meantime, Mr. Mott has proposed strict restrictions on off-road vehicles on the Cape Cod seashore. But because of protests by organized users of those vehicles, the Assistant Secretary of the Interior for Fish and Wildlife and Parks, Mr. Horn, has decided to take another look into the issue.

Mr. Horn, why will you not permit the Cape Cod National Seashore Advisory Commission to continue its activities? Has it not been doing good work over the years?

Mr. **Horn**. The Commission is one of a handful that was created pertinent to the statutory creation of the unit. It was given a 10-year life. That life was extended at least once. When that Commission came up for renewal this time, we consulted with the Secretary and concluded that since only a relative handful of units of the park system have these commissions, it was not necessary to continue this advisory commission. It is not necessary to treat Cape Cod differently than we treat over 90-some percent of our other units and have one of these special commissions.

We think that working with the community, working through the Superintendent and Regional Directors, we can provide and maintain a high level of community relations to get the job done. Hence, this commission is no longer necessary or needed. So we have decided—

Mr. **Yates**. How does it hurt you?

Mr. **Horn**. It does not necessarily hurt, except that we try to maintain some degree of consistency and not try to treat units differently, at least to a significant degree.

Mr. **Yates**. What you are saying is we tried to be general in our application, but are there not occasions when it is desirable to have local voices helping you in solving some of the problems?

Mr. **Horn**. Absolutely——

Mr. **Yates**. I have the impression this commission has done good work over the years. And the story I get is that because of political reasons you refuse to continue the commission.

Mr. **Horn**. Politically, it would have been an easier decision to let it continue.

Mr. **Yates**. You usually follow the political decision. Why did you not do that in this case?

Mr. **Horn**. I think in this particular case, it is because—as I indicated, the majority of our units do not have this type of arrangement and we concluded it was inappropriate to differentiate and continue to extend this charter. It has already lived out its statutory life and didn't make sense to continue it when frankly we thought we could maintain the good relations without having such a commission.

Mr. **AuCoin**. Is there something ineffective about the advice the advisory committee has given the agency?

Mr. **Horn**. No, sir. None whatsoever.

Mr. AUCOIN. Did the members of the advisory committee serve on a voluntary basis?

Mr. HORN. Yes, they did.

Mr. AUCOIN. So there is no cost to the Government.

Mr. HORN. The Government has a cost somewhere in the vicinity of $4,000 to $5,000 a year to pay for meetings and such.

Mr. AUCOIN. Minimal costs?

Mr. HORN. That is correct.

Mr. AUCOIN. But nothing is defective in the advice?

Mr. HORN. None whatsoever.

Mr. AUCOIN. I do not understand the reasons for abolishing the—

Mr. YATES. He is saying that we do not have it at other places. Therefore, we should not have it here, even though it serves a very useful purpose and even though the people in the area want it, and even though it has been in existence for a period of time. Because we have that general rule, we cannot have the commission. It does not make sense.

ROLE OF ADVISORY COMMISSION

Let me read to you from the Cape Cod Times, December 29, 1985. A couple of months ago this appeared. "From the beginning, there was no question that the Cape Cod National Seashore was not like most other national parks." So far he is right, is he not?

"Parks such as Yosemite or Yellowstone come to mind, parks with a neat boundary line drawn around them and what is inside the line is managed by the Feds and what is outside is not. Seashore is not like that. It is a crazy quilt patchwork of Federal holdings, peppered with privately held and town-owned property. Recognizing the difficulty for managing such unusually defined park, the Seashore's designers saw that the quality of Federal-local relationships was the key to the park's success. Unless the locals and the Feds got along reasonably well, this National Seashore could be a management nightmare."

"That relationship was helped along for the Seashore's first ten years by the mandated existence of the National Seashore Advisory Commission, a board representing the Interior Secretary, the county, the state and six towns out of which the Seashore is carved. The commission advises seashore officials on policies and politics and has played a key role over the years in helping the National Park Service manage the seashore well, and relatively harmoniously."

That is true, is it not?

Mr. HORN. That is correct.

Mr. YATES. "Recognizing the worth of the commission, the Interior Secretary has reappointed it every two years since its first decade. But there is some question this year about whether Interior Secretary Donald Hodel plans to—" there is no question about it now, I think. "There is some question about whether Secretary Hodel plans to extend the commission's life."

"Jonathan Moore, the member representing the Interior Secretary, has not yet been reappointed. His term expired in February. Seashore Superintendent, Herbert Olsen, has recommended the commission reappointment and the advisory board itself has written twice to Hodel to inquire about its future."

"To date, the Secretary has not replied. If he does not act, the commission will cease to exist on February 28th."

"In a letter they sent to Hodel earlier this month, the Easton Selectman wrote 'we feel deeply the commission is necessary, is constructive, is contributing to a seashore that lives in this area as a contribution to the towns to the state and to the Nation.' We agree. We are puzzled why the people at Interior have not acted promptly to continue the life of a board that works well—" maybe that is the reason— "and generally preserve some local Federal goodwill that often is in pretty short supply."

"We hope Secretary Hodel will get around soon to answering his Cape Cod mail and give the advisory commission another two years of useful life."

I would be inclined to give it a longer life than that. If you are working well with it, the people have an idea that they are contributing to the seashore's well-being—it just does not make sense, does it Mr. Horn?

Mr. HORN. Well, I think—

Mr. YATES. To adhere to a general rule that does not make sense?

Mr. HORN. Our conclusion was that the maintenance and insurance of continued good community relations was not dependent upon continuation of the commission and that we could work well with the folks, and with the local communities through our superintendent's and Regional Director's offices. Therefore, to continue this commission, I said previously, we do not have these commission at virtually all of our parks.

Mr. YATES. I am told that the Superintendent recommended extending the life of the commission, did he not?

Mr. HORN. I understand that he did.

Mr. YATES. Then why do you not follow his recommendation?

Mr. HORN. I think, as I said, it is the application of the basic rule in trying to ensure—

Mr. YATES. Why do you not listen to your superintendents occasionally?

COMMISSION CANCELLATION—SECRETARY'S DECISION

Mr. HORN. Well, we do, sir.

Mr. YATES. It is interesting to see what Secretary Hodel said when he appeared before us earlier. "We get telegrams on both sides of that issue." The Fishing Bridge Campground should be shut down. "It is my judgment and my inclination, Mr. Chairman—" said the Secretary—"ordinarily to rely on the Park Service to make the judgment to the best of its ability and I should back the professionals who manage the Park Service and not say, with my layman's background, I have had enough knowledge and professional expertise to tell them what to do."

Why do you not back your professional here?

Mr. HORN. I think, in this particular case, it was a conclusion reached in an area where we are not dealing with biological management, resource management, nor something that necessarily relates to the professional expertise of Superintendents in the service. Further, the Secretary, in consultation with myself, concluded that it was inappropriate to extend the charter for this commission again.

Mr. YATES. Has this matter gone to the Secretary?

Mr. HORN. Yes, it has.

Mr. YATES. And he has decided not to extend it?

Mr. HORN. That is correct. It was done on to the February 28th date and the commission was so advised, in writing, by the Secretary and we, of course, advised the—

Mr. YATES. When was the commission advised by the Secretary?

Mr. HORN. I think about February 26th or 27th. I can provide you the exact dates on when the correspondence went out.

[COMMITTEE NOTE.—A letter was subsequentially sent to the Chairman, which follows, correcting the record regarding written notification of the Commission termination.]

[The information follows:]

United States Department of the Interior
WASHINGTON, D.C. 20240

OFFICE OF THE
ASSISTANT SECRETARY

March 31, 1986

Honorable Sidney R. Yates
Chairman, Subcommittee on
Interior and Related Agencies
Committee on Appropriations
House of Representatives
Washington, D.C. 20515

Dear Mr. Yates:

During my testimony before the House Subcommittee on Interior and Related Agencies on March 12, 1986, I indicated that letters had been sent by the Secretary to each member of the Cape Cod National Seashore Advisory Commission informing them of the decision not to renew the Commission.

I have since learned that modest changes were requested by Departmental officials during review of the draft text after I had reviewed the letter and the letters have not yet been sent. It is my understanding, however, they will be mailed shortly.

However, my Special Assistant did personally call each of the Commission members on my instruction February 28, 1986, to inform them of the decision and to provide them with any information related to the basis for the decision they desired.

Please accept my apology for being unaware that the letters had not been transmitted. The hearing record has been edited to take account of the circumstances discussed above.

Sincerely,

William P. Horn

Assistant Secretary for Fish
and Wildlife and Parks

Mr. YATES. Now, the Superintendent of the park recommended it be continued. What about the Regional Director?

Mr. HORN. I am unaware of what recommendation he made.

Mr. YATES. Mr. Cables, can I get your view on this? You know about this, do you not?

Mr. CABLES. Yes, I do, sir. The Superintendent's recommendation for the reappointment of Jonathan Moore was forwarded to the Washington office. The issue, as to the continuation of the commission, was not something that we were privy to or involved with.

Mr. YATES. Why would you not be? Does not the Superintendent report to you?

Mr. CABLES. I think the way I have answered the question is correct and that is to say that I do not think that the Superintendent recommended officially the continuation of the commission. What he recommended was the appointment of Jonathan Moore to the commission.

Mr. YATES. What good would the appointment of Jonathan Moore have been to a non-existent commission?

Mr. CABLES. At the point in time, he made that recommendation, there was no knowledge in the region or in the park that the commission was to be terminated.

Mr. YATES. What was the reason it was terminated?

Mr. CABLES. I was not privy to that material.

Mr. YATES. All right.

SAVE THE EVERGLADES CONFERENCE

Let us talk about the Save the Everglades Conference in Florida. You were supposed to speak there, Mr. Mott?

Mr. MOTT. That is correct.

Mr. YATES. And you cancelled your speech?

Mr. MOTT. That is correct.

Mr. YATES. Or was your speech cancelled for you?

Mr. MOTT. Pardon?

Mr. YATES. Was your speech cancelled for you?

Mr. MOTT. I discussed with Mr. Horn the question of giving a speech down there and we decided that because of the political problems that might develop that I should not speak there.

Mr. YATES. Were you going to make a political speech? [Laughter.]

Mr. MOTT. No.

Mr. YATES. What kind of speech were you going to make? What was implicit in your speech on saving the Everglades? Do you want to protect the Everglades?

Mr. MOTT. That is correct.

Mr. YATES. What were you going to say?

Mr. MOTT. I was going to speak on our role in connection with the Everglades and our opportunities for the development of the Everglades and the work that we were doing down there.

Mr. YATES. Is the department being politicized, Mr. Mott? Is the Service being politicized?

Mr. MOTT. No, sir.

Mr. YATES. "Despite the problems—" the article concludes—"Mr. Mott intends to press for an expanded, secure park system. No one has told me not to, he said, the money will come."

Let us hope you are right, Mr. Mott, about the money coming.

HUNTING PROGRAM IN HAWAII PARKS

All right. I have a letter here that somebody sent me "priority" as you can see. This has a lot of exhibits to it and one short question. The question is "How the hell can you let the National Park Service run a totally illegal hunting program, which has no legal authority, in Haleakala and Hawaii Volcano National Park?"

Who is in charge of looking at these parks?

Mr. MOTT. Mr. Chapman could probably answer that question.

Mr. YATES. Mr. Chapman, are you starting a hunting program in those parks?

Mr. CHAPMAN. No, sir. I think what they are referring to is a deputized ranger program that was started some ten to eleven years ago. And the program is to reduce goats and pigs in Hawaii volcanoes and Haleakala National Parks.

That is part of a controlled program to remove exotic animals from those two areas.

Mr. YATES. You are putting them on the endangered species list?

Mr. CHAPMAN. No, we are not.

Mr. YATES. Well then, is this a hunting program?

Mr. CHAPMAN. It is a program where individuals are supervised by park rangers to go into the area to remove goats and pigs as a part of the removal of exotic animals from those two national parks.

The Hawaiian people look upon the goat and the pig as a form of hunting species the same as we look upon elk or deer in this part of the country. But it is strictly a part of the reduction program.

Mr. YATES. Go ahead. I was going to go into the budget, but if you have some questions, go ahead.

I do not want to be accused of holding up the defense committee.

Mr. AUCOIN. Did you refer to the defense committee.

Mr. YATES. Just vaguely.

[Laughter.]

Mr. AUCOIN. One of the interesting things, Mr. Chairman, serving on both the Defense Appropriations Subcommittee and the Interior Appropriations Subcommittee is that all of the witnesses that come before us from the agencies that we hear here talk about how clever and how innovative their work force is so that they are able to work with a reduced level of spending. And they say that they will get smarter and more innovative.

I wish we would hear the same thing in the testimony in the Defense Appropriations Subcommittee.

Mr. YATES. Well, they do not have to apparently. They do not have to be smart or innovative.

FORT UNION TRADING POST NATIONAL HISTORIC SITE

Mr. AUCOIN. Mr. Mott, I understand that there is a private fund raising effort underway to help the park service finance some reconstruction work at the Fort Union Trading Post National Historic Site on the North Dakota-Montana border. My friend, Congressman Dorgan, is interested in this and I wanted to ask how that effort is doing. Can you tell the committee?

Mr. MOTT. I think it is going very well. This is a combination of both our efforts as well as the local community, to help in the fund raising. We have the funds to do the necessary planning and that work is going forward.

We expect to let the contracts——

Mr. AUCOIN. You have about $1 million worth of funds, do you not?

Mr. MOTT. That is right.

Mr. AUCOIN. And specifically, how is that planning work coming along?

Mr. MOTT. That is coming along very well. There has been some question as to whether we are going to rebuild the fort on another location—and I would like to lay that rumor to rest. We are going to rehabilitate and rebuild the existing fort, not move it somewhere else. That program is moving along on schedule and we expect to have the fund raising program, as well the opportunity to do the reconstruction, tied together in a program that will be very effective.

Mr. AUCOIN. When do you anticipate the planning to be finished? You say it is on schedule. When do you anticipate——

Mr. MOTT. We expect the contracts to be let about October for that work, and in the meantime we are getting organized and ready for the fund raising drive.

Mr. AUCOIN. Mr. Dorgan indicated to me that you had agreed to help the Friends of Fort Union, which is a private group, with their fund raising efforts and that you have indicated that the Park Service will match those private funds for reconstruction work at Fort Union. Is that true? Do you intend to help out in that manner?

Mr. MOTT. That is exactly right. We have agreed that we would assist in the fund raising effort on a national basis. They would be working in the local area.

LAND ACQUISITIONS IN ALASKA

Mr. AUCOIN. Let me move to another area that I have an interest in. Last year, Mr. Mott, before you came on board, I asked a number of questions about land acquisitions in Alaska, and I thought, at the time, that the response given by the Alaska Regional Director indicated a real need for acquisition funding.

In conference on our bill last December, I regret to say, the Senate took the position and insisted that there was no need for acquisitions of any kind, and we dropped the $2 million in Alaska parks appropriation which this committee included in its bill

I would ask you: Is there, in fact, a need to acquire some properties in Alaska to protect some areas of the parks up there?

Mr. MOTT. I am not too familiar with the Alaska situation. I have been up there only on one occasion, and I was snowed out going to some of the areas. I think our Regional Director could best answer that question. Maybe he is more familiar with it. He has been up there.

Mr. AuCoin. Is he here today?

Mr. Mott. He is here.

Mr. AuCoin. What is his name?

Mr. Mott. Boyd Evison.

Mr. AuCoin. Mr. Evison?

Mr. Evison. Yes. Boyd Evison.

Mr. AuCoin. Is there a need to acquire properties to protect some of the parks in Alaska, in your judgment?

DENALI NATIONAL PARK LANDS

Mr. Evison. Yes, there is. We are working now with the state on a proposed exchange of some lands at Denali National Park for lands just outside of the park to give better protection to the wildlife there.

Mr. AuCoin. In the Denali Park?

Mr. Evison. Yes, sir.

Mr. AuCoin. Is that the so-called North Face Lodge Tract?

Mr. Evison. No, sir.

NORTH FACE LODGE TRACT

Mr. AuCoin. What about that tract? I understand it is owned by a Mr. Gary Crabb. Are you familiar with that?

Mr. Evison. Yes. As I understand, it has come on the market fairly recently and there is the possibility that it would be offered as a part of a package with some other property.

Mr. AuCoin. Is there a willing seller there?

Mr. Evison. Yes, sir.

Mr. AuCoin. What is the estimated cost?

Mr. Evison. I'm not sure of that. I say a willing seller. I know that he wants to sell the property, but I'm not sure that he is very anxious to sell it to the National Park Service.

Mr. AuCoin. You have no estimate of what the cost might be?

Mr. Evison. I would have to check on the amount. I think it is in the neighborhood of $300,000.

Mr. AuCoin. Approximately $300,000. Can you provide more specific information to the committee?

Mr. Evison. I would have to get that.

[The information follows:]

Denali National Park and Preserve

The real property and improvements in the area of this park commonly referred to as North Face Lodge are owned by Mr. Gary Crabb. Mr. Crabb is attempting to sell the subject property. His stated price is $500,000. It has been reported he has refused a bona fide offer of $375,000. The property has not been appraised, thus the fair market value is not known.

This is highly visible property, along the park road a short distance beyond Wonder Lake. Access is limited along this road to minimize disturbance of the wildlife.

In order for any purchaser to receive a profit from an investment of this size considerable development would be required. Such development, associated traffic and long-term human intrusion are significant concerns of park management. Needs of the public are presently being met by existing facilities in this area.

Funding for acquisition of this tract is highly desirable from Park Service perspectives. Acquisition of this tract will not only further protection of park resources from probable incompatible development by subsequent owners, it will serve the needs of the current landowner as well.

Mr. AuCoin. Would the acquisition enhance that park, in your judgment?

Mr. Evison. It would be important to us if there is a possibility that the sale of that property would result in further development in that area.

Mr. AuCoin. So there is, in fact, a need to acquire some properties in Alaska to protect some parks in that state.

I noticed on a list of priorities that were given to our subcommittee by the Interior Department during a hearing last month with Secretary Hodel that a $1 million appropriation is actually being suggested for Alaska for this purpose, so the Park Service, itself, sees a priority here; is that correct?

Mr. Evison. Yes, I believe that was an amount that was particularly aimed at the acquisition of some property at Lake Clark.

Mr. AuCoin. So then it would be the Park Service's position if it were sitting in conference in the legislative give and take that there is a need in Alaska for land acquisition.

Mr. Evison. Yes, I would say that is correct.

Mr. AuCoin. And in fact, it has even put $1 million behind that position.

GATES OF THE ARCTIC PROPERTY

Let me move to another specific area. How about in the Gates of the Arctic Park, the property at Portage Creek owned by a Mr. Walker. Are you familiar with that tract?

Mr. Evison. Yes. It is the number one priority for acquisition in the land protection plan that is part of the draft general management plan.

Mr. AuCoin. The Park Service's own number one priority?

Mr. Evison. For that park, yes.

Mr. AuCoin. And is there a willing seller there?

Mr. Evison. As I understand it, there is.

Mr. AuCoin. And what is the estimated cost?

Mr. Evison. It would depend on the extent of the interest in that property that we would have to acquire to avoid further development of the property.

Mr. AuCoin. Can you make an estimate of what the cost would be?

Mr. Evison. No. There has been no negotiation.

Mr. AuCoin. But can you make a rough estimate of what the cost might be?

Mr. Evison. I would have to get that information for you.

[The information follows:]

Gates of the Arctic National Park and Preserve

Acquisition of the fee simple interest of two tracts of land owned by Nelson and Myra Walker (one 5-acre tract and one 160-acre tract) near the Noatak River drainage and Portage Creek is estimated to be around $35,000 and around $140,000, respectively. These two tracts have not been appraised by the National Park Service.

The National Park Service has exhausted negotiations with the Walkers in attempts to develop a mutually acceptable land exchange. Neither side has been able to produce a viable land exchange proposal. The landowners are elderly and prefer outright sale as opposed to exchange.

The landowners are willing sellers who are largely supportive of park purposes and as long-term residents of Alaska are sensitive to environmental issues. The landowners' first preference is to sell this property to the National Park Service.

These two tracts are prime for future development. Each tract has excellent air access (water and landing strip). These tracts are two of the three tracts existing in this drainage and general area of the park. Acquisition at this time not only meets objectives of the landowners but also eliminates any conflict with future incompatible development by new owners in an environmentally sensitive area. This area is a portion of the "World Biosphere Reserve."

GLACIER BAY PROPERTY

Mr. AuCoin. Glacier Bay. There is a Point Gustavus property. Would you say that acquisition there is important?

Mr. Evison. I think that is high on that park's priority. I am not personally familiar with it.

Mr. AuCoin. But the park, itself, has that as a high priority.

Mr. Evison. Yes, sir.

Mr. AuCoin. Is there a development threat there?

Mr. Evison. I believe there is.

Mr. AuCoin. What is the nature of that threat?

Mr. Evison. I don't know. I would have to get you that information.

Mr. AuCoin. Is there anyone here that knows?

Mr. Evison. We would have to get you that information.

Mr. AuCoin. How about the gentleman who is talking to you? Is that your assistant?

Mr. Evison. He guessed it might involve mining. I think there is some property—

Mr. AuCoin. Who is that gentleman?

Mr. Evison. I'm sorry. This is Raymond LaPierre, my Regional Budget Officer. I was afraid to stand up. I wasn't sure my umbilical cord would reach.

[Laughter.]

Mr. AuCoin. What does Mr. LaPierre think the potential development threat might be?

Mr. Evison. He thought it might involve some mining possibilities.

Mr. LaPierre. It seems to me that with the mining operation that we were trying to buy out at one time, there was a willing seller.

Mr. AuCoin. What is the estimated cost of this acquisition?

Mr. LaPierre. I don't know. I have been sitting in on the negotiations, but I have not heard the cost.

[The information follows:]

Glacier Bay National Park and Preserve

The Point Gustavus property is a native allotment certificated (No. 50-85-0248) to the heirs (unknown) of William McKinley, deceased. This certificate was issued by the Bureau of Land Management, March 20, 1985. To date no known heirs have been discovered or presented by the Bureau of Indian Affairs to the National Park Service.

The value of this 147.47 acre tract is estimated to be around $750,000, however, the property has not been appraised. It is prime waterfront property suitable for high value residential subdivision and commercial recreational facilities. If heirs come forth or are otherwise discovered, development is certain. This tract is in priority group 1 for this park unit.

This tract is a prominent landmark at the entrance of the park unit. Incompatible development could truly create an unfortunate impression upon the many park visitors.

Earlier reference to threat by mining activities was confused with another tract commonly referred to as the Nunatak claims. These are patented mining claims consisting of approximately 400 acres within the Brady Icefields. Test reports indicated these claims contain high levels of nickel. While it is not apparently economically feasible to commercially mine these claims today, the high nickel content may lead to a major mining effort if world prices for nickel increase. An estimate of land value is around $250,000, however, the property has not been appraised. No mineral value estimate is available.

TWIN LAKES AT LAKE CLARK

Mr. AuCoin. Let me ask you about one other tract. That is the Twin Lakes tract at Lake Clark. What can you tell us, Mr. Evison, about those tracts?

Mr. Evison. I think that ranks very closely behind the Tazimina property in the Park's acquisition priority. There is a piece of property that is in an otherwise pristine setting. If it were developed, it would have a substantial effect on a large pristine area.

Mr. AuCoin. If it were developed, it would have a large impact on an otherwise pristine area? Is that what you said?

Mr. Evison. Yes. Quite a bit of emphasis is put on acquiring relatively small parcels that are essentially strategically located. They are in places where the setting is otherwise pristine and a change would be significant.

Mr. AuCoin. I understand that these tracts that I have mentioned are, in fact, the only private properties in this area of the park; is that correct?

Mr. Evison. In that particular part of the park, yes.

Mr. AuCoin. And in the ranking you mentioned, you said it ranked just behind something. Are you testifying that that is a high priority in the park?

Mr. Evison. Yes. You mentioned a $1 million figure earlier, and I think that had directly to do with the acquisition of property at Tazimina Lake. I think that is highest in priority in the park's land acquisition plan.

NEED FOR ALASKA ACQUISITION

Mr. AuCoin. So the position of the Park Service would be and the people in the Service in Alaska would be that the Senate actually erred when it said that there was no need for acquisitions in Alaska; is that correct?

Mr. Evison. Well, I would say that in the long term, there certainly is a need for that. The question of whether there is the need for that right now is another matter because it has a lot to do with how imminent the threat may or may not be that there will be development on those sites.

Mr. AuCoin. Could we expect the cost to be greater or lesser in the future as we look at acquisitions?

Mr. Evison. It is hard to judge that, particularly given the present circumstances economically in Alaska.

Mr. AuCoin. What are the conditions economically in Alaska? Are real estate values plummeting?

Mr. **Evison**. Well, it may be affected, at least to some extent, by the plunge in the value of oil.

Mr. **AuCoin**. As a general rule, isn't true that acquisitions put off end up costing the Government more?

Mr. **Evison**. Yes, sir.

LAND EXCHANGES IN ALASKA

Mr. **Horn**. Mr. Chairman, if I might add, we have been very successful in Alaska in the Park Service in pursuing the alternative acquisition approach of land exchanges. In many cases, we lack condemnation authority on state inholdings and on native corporation lands per statute, but in the last five years, we have consummated six land exchange or donation arrangements involving the Wrangells-St. Elias National Park and Preserve Park, Cape Krusentern National Monument, and Gates of the Arctic National Park and Preserve that in aggregate have added over 300,000 acres of land to the National Park System in Alaska at no cost to the taxpayers.

So the exchange tactic has been very successfully employed in Alaska, and we would hope to continue to employ it in the future.

Mr. **AuCoin**. How long do those exchanges take?

Mr. **Horn**. I think the shortest one we accomplished was six to nine months, others have taken a year to a year and a half. Most of them have operated fairly rapidly.

Mr. **AuCoin**. Coming back to that tract that I mentioned earlier, I wonder if Mr. Evison would stand up again, with or without his assistant. It is up to him. [Laughter.]

PROPERTY OF GARY CRABB

In the Denali Park, my understanding is that the owner I mentioned, Mr. Gary Crabb, is, in fact, very ill and is very eager to sell his property. Do you know if that is the case or not?

Mr. **Evison**. I understand that that is the case.

Mr. **AuCoin**. So there is a very willing seller in this instance.

Mr. **Evison**. He has not approached the National Park Service with a proposal to sell that property.

Mr. **AuCoin**. Under these conditions, with Mr. Crabb being very ill, he is probably not interested in an exchange. He is probably interested in a sale. Wouldn't you agree? If you have a man who is very ill, wouldn't a man very ill be interested in selling rather than exchanging?

Mr. **Evison**. He has heirs who might possibly be interested in other property, although I am not sure.

Mr. **AuCoin**. But your understanding is that he is eager to sell? Is that your testimony?

Mr. **Evison**. I have been told that he has offered it to others for sale, yes.

Mr. **AuCoin**. Mr. Chairman, I have other questions, but I will yield back to you. I appreciate the opportunity.

REDUCTIONS IN NATIONAL PARK SERVICE PROGRAMS

Mr. **Yates**. It appears that your new budget results in a reduction in construction of $84,322,000; is that correct?

Mr. Salisbury. Yes, sir, Mr. Chairman.

Mr. Yates. And a reduction in proposed land acquisition of $82,540,000; is that correct?

Mr. Salisbury. Yes, sir. That includes both the state grants and our own Park Service land acquisitions.

Mr. Yates. And elimination of historic preservation which currently is $24,795,000.

Mr. Salisbury. Yes, sir.

Mr. Yates. What is the backlog of the Park Service for land acquisition?

LAND ACQUISITION

Mr. Galvin. Mr. Kriz can probably answer that question best, Will Kriz, our Land Acquisition Officer.

Mr. Yates. Mr. Kriz?

Mr. Kriz. Mr. Chairman, the backlog of unappropriated authorizations is $458 million. Added to that would have to be some overceiling needs, the Redwood National Park condemnation judgment. The trial is taking place right now. And there's the areas that do not have authorization ceilings, such as the Alaska areas.

So realistically, I think the backlog is in excess of a billion dollars.

Mr. Yates. The Redwood judgments should approximate about a half a billion dollars, shouldn't they, if I remember?

Mr. Kriz. I would not like to say now, since the trial is going on, but conceivably it could.

CONSTRUCTION BACKLOG

Mr. Yates. And what is the backlog in construction?

Mr. Galvin. The total on the National Priorities List, I believe, is $1.6 billion.

Mr. Yates. How much construction do you propose in this budget?

Mr. Galvin. We propose about $19 million of line item construction, a total, I think, of $29 million in the overall program, plus $75 million in the Federal Land Highway Program as well.

MAINTENANCE PROGRAM

Mr. Yates. How badly is your program of maintenance hurt in this budget?

Mr. Galvin. This budget pretty much preserves the maintenance budget. Again, the presumption is that some of that will come as part of a fee proposal.

There is a repair/rehabilitation component in the fee proposal of $9.1 million.

Mr. Yates. Let's go back to your task force, Mr. Galvin, and I will remind you of what you told us last year in our hearings.

Can you describe what the task force consisted of, who was on it, and what was the purpose?

Mr. Galvin. The task force was National Park Service employees from throughout the system, the Washington Offices, Regional offices and parks; people with backgrounds in maintenance, people with backgrounds in construction, and people with backgrounds in management. It was, in my judgment, a very good group of people.

Mr. **Yates**. Okay. And that—

Mr. **Galvin**. With the exception of the Chair.

Mr. **Yates**. Right, okay. That goes without saying.

[Laughter.]

Mr. **Yates**. That task force agreed that PRIP didn't cover the amount of repairs and maintenance, right?

Mr. **Galvin**. The basic recommendations of the task force were to consolidate the gains that were made through the Park Restoration and Improvement Program, that maintenance needed to be increased throughout the system.

Mr. **Yates**. Right. I'll read to you what you said last year and I read from page 608 of Part 8: "The conclusions of the task force were that all increases in the funds should basically go into maintenance, so that gains made during the PRIP could be secured, and so that cyclic maintenance and repair and rehabilitation activities could be accelerated in areas perhaps outside the health and safety category, or in addition to the health and safety category, to attempt to bring back through maintenance some of the facilities that had not been treated during PRIP."

And this is the key phrase: "It was our feeling that the $180 million combination of the Federal Lands Highways Program and the line item construction program would, over a five- or ten-year period, go a long way toward rehabilitating the infrastructure of the Park Service on a major basis or in renewing the facilities at parks like Yosemite and Grand Canyon and beginning development in places like the Midwest Region where none have ever taken place."

Is all that being delayed now?

Mr. **Galvin**. Yes, sir.

Mr. **Yates**. Is it being delayed because you have no need for it?

Mr. **Galvin**. No, sir. The need still exists. We do have in this budget major constructions contemplated for both Grand Canyon and Yosemite National Parks, which is part of what I was talking about there. There is no new development proposed in this budget.

INCREASING OTHER KINDS OF FEES

Mr. **Yates**. Mr. Mott, rather than increasing entrance fees to parks, why wouldn't it be more appropriate to establish a new or increase existing user fees? Why isn't it more appropriate to charge for a fishing permit at Yellowstone or other parks? Why wouldn't it be more appropriate to require paid permits for mountain climbing and things of that sort?

Mr. **Mott**. Well, I think all of those things will be considered in connection with this legislation, which would make it possible for us to do that. As you probably know, present legislation has frozen our opportunity to add to the entrance fees or to utilize other techniques, plus the fact that one of the things that I think is terribly important is that at the present time our user fees go into the Land and Water Conservation funds and then are redistributed out to states. We also get some of those Land and Water Conservation funds.

But under difficult conditions, we are finding that there are more important activities for us to take care of than trying to collect fees at the entrances, because that money doesn't come to us. If this money comes to the parks, I can guarantee that the rangers and the VIPs will be there collecting fees right early in the morning until late at night.

Mr. YATES. What do you mean by VIPs?

Mr. MOTT. The volunteers.

Mr. YATES. Oh. [Laughter.]

Mr. MOTT. We thought maybe you would help us on that. [Laughter.]

Mr. YATES. I was just going to say, are they the ones that stay in the VIP residences in the parks? [Laughter.]

Mr. MOTT. No. But I think that the public will appreciate the parks more if they pay a reasonable entrance fee. And in addition to that, we would have an opportunity to provide them with a free publication telling them about the parks, telling them about the safety hazards and so forth, and I think we can do a much better job in promoting and making people feel at home in the parks through this process.

GRAMM-RUDMANN CUTS AND EFFECTS ON PUBLIC

Mr. YATES. Okay. Tell the committee how your Gramm-Rudman cuts are being taken. Did I understand you correctly, it was across-the-board, all the way down through all the levels.

Does that mean that operating hours will be reduced in the parks and campgrounds will be closed or not?

Mr. MOTT. No campgrounds will be closed.

Mr. YATES. Okay. Well, will the general public experience in any way the reductions that you are forced to take?

Mr. MOTT. I don't think on this 1986 budget that the public will understand or anticipate any major changes in the operations of the National Park Service. We have advised our Regional Directors that the following are unacceptable categories for cuts: campground closures, curtailment of cost-effective fee collection operations, reductions-in-force or other adverse actions taken against permanent personnel, and direct and serious threats to public health and safety.

Mr. YATES. What about the question of public safety? I've interrogated the Regional Directors every year on that question. In most of the instances, they itemized places where the threats occurred, but in most of the cases, they said that they were being taken care of.

Are there parks now which have places that endanger public safety?

Mr. MOTT. We are never going to make the parks so sanitary that they are totally safe. That's impossible to do. But I think that in general, we have taken care of the basic problems within the units of the National Park Service and that they are safe to the public and that they are in good condition.

SAFETY OF DRINKING WATER

Mr. YATES. Are there any questions involving drinking water problems?

Mr. MOTT. Not that I'm aware of.

Mr. YATES. What about Yosemite?

Mr. GALVIN. The major post-PRIP water system activities are at Grand Canyon and Yosemite National Parks, and both of those projects are underway. Both have phases requested in this budget. But we are well underway toward solving those water system problems that exist in those two parks, and they are the last of the major parks that require new water and sewer systems. They are really the only post-PRIP parks where major systems are still underway.

Mr. YATES. Why did you conduct a water monitoring program at Gettysburg?

Mr. GALVIN. I'm not sure about the specific water monitoring program, but we regularly monitor water supplies in the National Park System in a program that we are assisted in carrying out by the Public Health Service. So we sample water on a regular basis in all our parks and report back. And I might say that in the last several years, the record has been excellent. There have been very few—

Mr. YATES. Have there been any questions of heavy metals or organic contaminants?

Mr. GALVIN. In terms of drinking water supplies, I don't know of any systems where that's a problem.

Mr. YATES. Would you, if there were?

Mr. GALVIN. I see that report on a regular basis.

Mr. YATES. Is the answer yes?

Mr. GALVIN. There may be some problems I'm unaware of. Mr. Albright might be able to expand on that answer.

Mr. YATES. All right, Mr. Albright, do you want to expand on that answer?

Mr. ALBRIGHT. I think the only thing that I could say in terms of any direct effect on any visitors is that in the past three years, we have not had any incidents of any water-borne diseases or any kinds of problems caused by any water systems within the national park system.

AIR POLLUTION

Mr. YATES. What about the threat of air pollution to the parks? Are any parks being threatened with air pollution?

Mr. GALVIN. We have regular air quality monitoring in a number of parks, and we have some instances of damage to vegetation, particularly in West Coast parks.

Mr. YATES. Does this include Oregon when you say "West Coast parks?"

Mr. GALVIN. I don't know of any particular—well, let me ask Dr. Briceland. He could perhaps provide a detailed answer.

Mr. YATES. Dr. Briceland?

Dr. BRICELAND. Mr. Chairman, I am not aware of any particular problems in Oregon.

Mr. **Yates**. What about California parks? Any danger to the sequoias?

Dr. **Briceland**. Yes, we have some evidence that the sequoia is, in fact, susceptible to both ozone and sulfur dioxide.

Mr. **Yates**. Well, are they suffering from those?

Dr. **Briceland**. Yes, sir.

Mr. **Yates**. Are they being endangered as a result?

Dr. **Briceland**. I don't know that I would say they're endangered, but we certainly know—I think in Sequoia, something like 30 percent of the pine species are, in fact, affected by ozone damage.

The question, I think, is, is it a recoverable sort of thing, or is it a permanent sort of thing. We do know that growth is inhibited, but I would say that the 30 percent damage rate is a significant adverse impact.

Mr. **Yates**. What can you do to stop it? Is this so-called acid rain?

Dr. **Briceland**. No, sir. The damage that I'm speaking of is specifically identified as due to exposure to ozone. Acid precipitation may or may not be a contributing cause to that. It's very difficult sometimes to know how the two play together, but ozone does have a very characteristic kind of effect. It is identifiable in a symptom sort of sense, and that is clearly identified with some of the pines in Sequoia.

OZONE DAMAGE

Mr. **Yates**. What causes ozone damage? I picture ozone as being kind of an elevated problem, way up in the upper atmosphere. What happens? You mean it burns off above, and the sun comes through? What is the ozone problem?

Dr. **Briceland**. Ozone is created when there are oxides of nitrogen, such as from automobile emissions or power plants, in combination with reactive hydrocarbons which may have come through a variety of air pollution sources, in the presence of sunlight, creates ozone. We find ozone, elevated levels of ozone, even beyond what the national air quality standards allow, in a large number of our parks.

Mr. **Yates**. Are you saying that the damage is caused by automobile traffic?

Dr. **Briceland**. Not necessarily. Automobiles in many parks and throughout the country are a major source of oxides of nitrogen emissions. That is one of the components that goes into the creation of ozone.

I would suspect that in that particular part of the country, the oxides of nitrogen are a major contributor to the ozone levels.

Mr. **Yates**. Well, what are you doing to protect against the ozone? Is there any way you can protect against the ozone?

Dr. **Briceland**. There is no way that we can directly protect against the ozone.

Mr. **Yates**. Can you require traffic detours? Would that help?

Dr. **Briceland**. Much of the ozone is not from local traffic. Ozone can travel over distances of perhaps three hundred, four hundred miles. It is not necessarily a local source.

Mr. YATES. So, according to Science Magazine for 21 June 1985, it says: "At Sequoia, ozone is believed to have caused moderate to severe damage to more than one-third of the trees at concentrations that are less than limits set by the EPA. Solutions to the air pollution problems in the parks are difficult because the exact nature and source of the pollution is largely unknown. The parks' air quality program was created nine years ago and now has a yearly budget of $3.9 million for the entire park system. Park Service scientist William Malm testified that although nitrous oxides and particulate matter are significant sources of air pollution in the West, none of the parks test for them."

But that's not true, is it? Or is it true?

LIMITED TESTING IN PARKS

Dr. BRICELAND. We do limited testing for oxides of nitrogen. What was the end of the quote?

Mr. YATES. Particulate matter.

Dr. BRICELAND. We also test for particulate matter. There are three types of particulate matter. Two are the very fine carbonaeous and nitrate particulates, which are very difficult to test for and very expensive to test for. The other is the sulfates, and we do test for those extensively.

Mr. YATES. Well, what can you do? What can you do about protecting the sequoias? I mean, these are treasured trees, and of course it's a specific national park. Do you just watch the deterioration?

Dr. BRICELAND. No. The first thing we need to do in any air pollution-related situation is to be able to quantify how much damage there is and what the source of the damage is. One of the things that we started doing a year ago, a year and a half ago, was, we took sequoia seedlings and we put them in fumigation chambers. That is a one of or two-year type of effort, but we have started. And we're going out looking for damage throughout the system. This is a relatively new effort that we started about two years ago.

We are basically in the process of cataloging the damage, identifying its severity, and where we can, isolating the source of the pollutants that are contributing to it.

Mr. YATES. You can't do that at Sequoia National Park or John Muir Woods?

Dr. BRICELAND. The answer, I believe, is yes, we will be able to quantify the damage better than we ever have.

Mr. YATES. You can quantify it, but what can you do to stop the spread?

Dr. BRICELAND. There is nothing that we can directly do to stop that kind of air pollution problem, either there or at other parks where we have the same kinds of problems.

Mr. YATES. How many parks do you have with a similar experience?

Dr. BRICELAND. We have air pollution effects studies going on in many parks. We know we have observed damage. We have another 35 or 40 parks where we have indicator species that we are looking at. That means it is like the canary in a mine. It is a species that will indicate in a precursor sense that there is evidence of some damage, and then we start looking more seriously. We have evidence of that kind of damage to milkweed and other kinds of species in probably 25 to 30 parks. We think we have a pretty pervasive problem.

There are a couple of questions here. One is the exact pollutant that causes the problem. Another one is when you have acid precipitation in combination with ozone, or with sulfur dioxide, or with the oxides of nitrogen, to know which is in fact the primary pollutant that is causing the problem. It is a difficult kind of issue to get your hands on. We have been working on this now, on the damage effects, for over two years.

FUNDS TO DEAL WITH POLLUTION

Mr. **Yates**. Is your program being cut?

Dr. **Briceland**. No, sir.

Mr. **Yates**. Do you have enough money to prepare a protective shield for this kind of thing?

Dr. **Briceland**. We have——

Mr. **Yates**. Is there any way of identifying the source of the ozone? I know you say it is nitrous oxides. You say it can travel 300 to 400 miles.

Dr. **Briceland**. Yes, sir.

Mr. **Yates**. You have no way of identifying where this is coming from?

Dr. **Briceland**. Yes; there are ways.

Mr. **Yates**. Are you doing it?

Dr. **Briceland**. Yes, where we can. This is a Nation-wide problem. EPA also has substantial amounts of money and fairly large programs to track ozone, its sources, where it goes, some of the impacts it has. We are the only people in the country who look at natural resources in parks and who worry about how air pollution affects those.

The Forest Service and EPA are very interested in crops, in forest producing trees, economic products. We are the only people who seem to have any interest or responsibility for worrying about the resource, the biological resources that occur naturally. It is a very big job to deal with 330 parks. We have natural resources in all of them.

Mr. **Yates**. You have to deal with 330 parks. That is your responsibility. The question I am asking is whether you have enough funds to do it.

Dr. **Briceland**. We have enough funds to do part of the job. We have 48 parks which the Congress identified as Class I parks, the ones that are to have the most pristine air in the country. Congress gave us another million dollars last year. We have monitoring going on in 40 of those 48 parks. We don't have the baseline data to know what is there in the remaining 8 parks, let alone to know what damage is done.

Mr. **Yates**. Why don't you ask Congress for the money to do it?

Dr. **Briceland**. It is the same situation and we have talked about it. We have a budget limitation. There are priorities that are set. We put our request in and it is considered out along with the other requests. There are lots of needs.

Mr. YATES. Without the baseline data, where do you go? You need the baseline data to know where to go; don't you?

Dr. BRICELAND. We need the baseline data to know; yes.

Mr. YATES. How much money do you need for your baseline data?

Dr. BRICELAND. We provided testimony last year for one of the other committees that it would take about $1.14 million to do the established monitoring, just in the eight additional Class I parks which do not have monitoring.

Mr. YATES. That is why Congress gave you a million dollars extra.

Dr. BRICELAND. We had 17 parks last year that were uncovered. Congress gave us a million dollars. We picked up 9 of those 17 uncovered parks. We still have eight Class I parks that do not have monitoring.

In addition, there are a whole lot of Class II parks and other parks that eventually we would like to get baseline data for also.

Mr. YATES. What capability does the Park Service have of looking beyond its boundaries now? Does it have any?

Dr. BRICELAND. Are you talking about air quality threats?

Mr. YATES. Yes, or mining threats, any kind of threats.

Dr. BRICELAND. Let me deal with air quality threats first. Under the Clean Air Act, we, as Federal land managers, have a statutory responsibility that is applicable whenever there is a proposed project that would have the potential to adversely impact the air quality of a Class I park. We have a responsibility for assessing that potential and making recommendations as to whether it would exceed the allowable air pollution limits.

We are able to do that and are doing that.

OPPOSITION TO FUNDING LAST YEAR

Mr. YATES. Is my memory right? Did the department oppose the expenditure of these funds last year?

Mr. SALISBURY. Yes, sir, Mr. Chairman.

Mr. YATES. Why did they oppose the expenditure of these funds? If this is a threat to the parks, and the scientists are trying to lay a base for treating it, why are you opposed to it?

Mr. SALISBURY. In an appeal to the Senate after the House bill had passed, we appealed to stay with the President's budget, and it did not include these funds.

Mr. YATES. This was just one item among many that you opposed?

Mr. SALISBURY. Yes. It was opposed on the basis of fiscal constraints.

Mr. YATES. What is your feeling, Mr. Mott? Do you think we ought to give them money?

Mr. MOTT. I think these threats are real.

Mr. YATES. I would hate to see Sequoia destroyed; wouldn't you?

Mr. MOTT. I think the important point is that the pollutants are not generated within the park itself. They are generated outside. In California, it may be the automotive traffic, the Los Angeles metropolitan area that is creating the problem. We cannot solve the problem in Los Angeles. We can point out what is causing the problem, but we can't solve that problem.

Mr. **Yates**. How do you point it out if you don't have the money to point it out? That is the point. If I understand what your scientist is saying, sure, if we can put monitoring systems into the parks, we can tell you what your damage is likely to be. You were able to do that in 17 parks last year, as I understand his testimony.

If the department won't let him go forward, you are just going to drift and drift; aren't you?

Mr. **Mott**. Mr. Chairman, I think you are well aware of the fact that there are budget constraints and we are trying to eliminate the national debt.

Mr. **Yates**. I am well aware of that. You have to protect the parks; don't you? Unless I am wrong, and the scientist can tell me if I am wrong or you can tell me if I am wrong, you are not going to be able to deal with the problem unless you know what the problem is. You don't get to know what the problem is unless you set up the tools for determining what the problem is.

Mr. **Mott**. That's correct.

Mr. **Yates**. Or else you just go on. Are you husbanding your most precious park resources for the future if, in fact, you don't try to get on top of what the threats are? It doesn't make sense; does it?

Mr. **Mott**. What the problem is is that we are doing the very best we can within the money available.

Mr. **Yates**. That's not an answer to my question. The question is whether or not you should be doing it. If you had more money, you should be doing it.

Mr. **Mott**. That's correct.

Mr. **Yates**. How much money do you need to do the job?

Dr. **Briceland**. The number that we indicated that would be required to initiate air pollution monitoring in the remaining eight parks, the current Class I parks that currently do not have it, I believe was $1.14 million. I would have to check that.

Mr. **Yates**. Were you turned down on that proposal for the parks? Is that in the budget?

Dr. **Briceland**. No, sir. It is not part of the budget.

Mr. **Yates**. You asked the department for it and the department said no?

Dr. **Briceland**. I don't know where in the process it is. What we did was indicate that it was an outstanding need that we had and we indicated that if money were available, we certainly would submit a budget request for it.

BUDGET PRIORITIES

Mr. **Yates**. All right. You have priorities. The question is are there other things that are more important than this gentleman's request that you are being turned down on? Are there things that are more important than the monitoring money that you don't have in this budget, that you would like to have?

Mr. **Mott**. I am sure there are always—

Mr. **Yates**. No, don't tell me that. I want specifics. We know what he needs. He needs a million dollars to go forward with the rest of his work. That was stricken out of the budget.

The question I am asking you is are there other items of equal or greater importance that you want to see in this budget, but you couldn't see because of lack of funds?

Mr. Galvin?

Mr. GALVIN. I am not sure.

Mr. YATES. How do I drag it out of you, Mr. Galvin? [Laughter.]

Mr. GALVIN. The way the budget is put together, obviously we use priority lists in the various programs.

Mr. YATES. Of course you do. What was stricken out that is a very great priority? Do I have to drag this out of your Regional Directors?

Mr. GALVIN. I would say there were probably many, many more requests for increases than are in this budget, just because of the nature of the way we put together our budget.

Mr. YATES. Tell me what they are.

Mr. GALVIN. I'm not sure we can.

Mr. YATES. Your bodyguard on the left has a whole list of things.

Mr. SALISBURY. Mr. Chairman, what we have is—

Mr. YATES. I am asking the gentleman on your left. He is reading a long list of things that were taken out.

Mr. SALISBURY. I was going to describe that list.

Mr. YATES. Go ahead.

Mr. SALISBURY. Not necessarily in great detail, but this is a list that——

Mr. YATES. Give us examples of what was stricken out that were requested. How much money is involved on that list?

Mr. SALISBURY. This goes back to the budget request history that we talked about at the beginning of the hearing.

Mr. YATES. That's what I am talking about. I am trying to find out what you need that you can't get in this budget and let the committee determine its importance to the parks. I want Mr. Horn to know that I am dragging it out of you so he doesn't fire you. [Laughter.]

Mr. SALISBURY. That is quite useful. [Laughter.]

We felt, for instance, that we needed some additional funds in order to pay for our employees to transfer from one job to another. That's fairly mundane. Let me find some good ones here.

Mr. YATES. Why don't you give us the list?

Mr. SALISBURY. I'd be happy to.

Mr. YATES. That is the easiest way out of it.

Let's come back at 1:00 p.m.

[The information follows:]

FISCAL YEAR 1987 BUDGET FORMULATION

A history table of the Service's fiscal year 1987 budget formulation process, displaying the various adjustments in each stage of review from the Departmental requests through the President's proposal to Congress, is as follows:

NATIONAL PARK SERVICE - FY 1987 BUDGET REQUEST HISTORY TABLE

Appropriation/Activity/Subactivity	Request to Department	Request to OMB	Request to Congress
	(in thousands of dollars)		
--DIRECT APPROPRIATIONS--			
Operation of the National Park System			
Park Management:			
Management of park areas....................	63,057	62,315	62,498
Increase/Decrease(-)	1,757	1,015	974
1. Increased transfer costs	1,266	210	210
2. Increased uniform costs	433	433	450
3. Park administrative support	58	58	0
4. President's Comm. on Americans Outdoors	0	314	314
Concessions management......................	3,563	3,563	3,548
Interpretation and Visitor Services.........	65,977	65,977	57,413
Increase/Decrease(-)	877	877	(7,706)
1. Ellis Island/Statue Centennial	161	161	161
2. Park interpretive programs	293	293	0
3. Denali transportation system	326	326	0
4. U.S. Constitution Bicentennial	97	97	97
5. Transfer to ONPS-Fee Programs	0	0	(7,964)
Visitor protection and safety...............	93,629	88,458	76,361
Increase/Decrease(-)	11,348	6,177	(5,834)
1. Increased fee collection costs	10,000	4,806	0
2. Ellis Island/Statue Centennial	242	242	242
3. Enhance law enforcement programs	215	215	0
4. Protect new facilities	313	313	0
5. Increased park protection costs	533	556	0
6. U.S. Constitution Bicentennial	45	45	45
7. Transfer to ONPS-Fee Programs	0	0	(6,121)
Maintenance.................................	261,034	251,684	233,826
Increase/Decrease(-)	43,162	33,812	(5,244)
1. Improve Cyclic Maintenance Program	6,647	5,386	0
2. Improve Repair/Rehabilitation Program	22,353	22,353	0
3. Improve equipment replacement program	8,100	0	0
4. Ellis Island/Statue Centennial	2,983	2,983	2,914
5. U.S. Constitution Bicentennial	211	211	211
6. Increased park maintenance costs	2,868	2,879	785
7. Transfer to ONPS-Fee Programs	0	0	(9,154)
Resources management........................	96,181	95,872	86,437
Increase/Decrease(	2,261	1,952	(9,204)
1. Improve cultural resources maintenance	525	485	0
2. Ellis Island/Statue Centennial	260	260	260
3. Resources surveys Alaska mining claims	0	0	2,700
4. Improve natural resources protection	870	601	0
5. Improve endangered species protection	396	396	0
6. Develop natural resources programs	210	210	0
7. Transfer to ONPS-Fee Programs	0	0	(12,164)
Informational publications..................	2,907	2,907	0
Increase/Decrease(-)	0	0	(2,890)
1. Transfer to ONPS-Fee Programs	0	0	(2,890)
International Park Affairs..................	405	405	423

NATIONAL PARK SERVICE - FY 1987 BUDGET REQUEST HISTORY TABLE

Appropriation/Activity/Subactivity	Request to Department	Request to OMB	Request to Congress
	(in thousands of dollars)		
Increase/Decrease(-)	0	0	(368)
1. Decrease international activities	0	0	(368)
Volunteers-in-parks..........................	750	750	0
Increase/Decrease(-)	260	260	(487)
1. Increase program output	260	260	0
2. Transfer to ONPS-Fee Programs	0	0	(487)
Subtotal, Park Management..............	587,503	571,931	520,506
Forest Fire Suppression and Rehabilitation:	1,176	1,326	1,319
Park Recreation and Wilderness Planning:			
Water resources..............................	1,920	1,920	2,909
Increase/Decrease(-)	0	0	1,000
1. Court-ordered water rights adjudication	0	0	1,000
General management plans....................	2,342	2,342	2,332
Subtotal, Park Recreation.............	4,262	4,262	5,241
Statutory and Contractual Aid:			
Roosevelt Campobello Int'l. Park Commission.	410	410	408
Ice Age National Scientific Reserve.........	576	576	573
Lowell Historic Preservation Commission.....	592	592	537
Increase/Decrease(-)	53	53	0
1. Increased operating costs	53	53	0
Folger Library..............................	343	343	0
Corcoran Gallery............................	343	343	0
Mary McLeod Bethune NHS.....................	0	0	99
Martin Luther King Jr. Center...............	98	98	199
Phillips Gallery............................	0	0	0
Arena Stage.................................	0	0	0
National Building Museum....................	0	0	0
National Capital Children's Museum..........	0	0	0
Subtotal, Statutory Aid.................	2,362	2,362	1,816
General administration:			
Central office..............................	5,844	5,844	5,820
Regional office.............................	15,043	15,043	14,993
Automatic data processing...................	4,851	4,851	4,827
Employee compensation payment...............	4,871	5,381	5,355
Servicewide administrative support..........	7,201	7,201	7,161
General services............................	392	392	390
GSA space rental............................	12,192	12,936	12,865
Executive direction.........................	6,572	6,572	6,544
Unemployment compensation...................	7,940	7,940	7,892
Public Affairs..............................	1,761	1,761	1,753
Subtotal, General Administration........	66,667	67,921	67,600

NATIONAL PARK SERVICE - FY 1987 BUDGET REQUEST HISTORY TABLE

Appropriation/Activity/Subactivity	Request to Department	Request to OMB	Request to Congress
	(in thousands of dollars)		
TOTAL, Operation of the National Park System..	661,970	647,802	596,482
National Recreation and Preservation			
Recreation Programs..........................	231	231	284
Natural Programs.............................	541	541	541
National Register............................	6,885	6,885	6,843
Environmental and Compliance Review...........	402	402	400
Grant Administration.........................	1,488	1,488	1,479
TOTAL, National Recreation and Preservation...	9,547	9,547	9,547
Historic Preservation Fund			
Grants-in-aid................................	0	0	0
National Trust for Historic Preservation......	0	0	0
TOTAL, Historic Preservation Fund............	0	0	0
Construction			
Advance Planning.............................	3,500	3,500	2,800
Emergency and Unscheduled Projects...........	3,000	3,000	2,000
Project Planning.............................	6,180	6,180	4,996
Line Item Construction Projects..............	37,456	37,456	19,318
TOTAL, Construction..........................	50,136	50,136	29,114
Land Acquisition			
Assistance to States			
Matching grants..........................	0	0	0
Administrative expenses..................	2,752	3,500	2,270
National Park Service			
Acquisitions.............................	79,000	42,782	8,000
Acquisition managment....................	8,218	7,218	5,000
TOTAL, Land Acquisition......................	89,970	53,500	15,270
John F. Kennedy Center for the Performing Arts	4,758	4,758	4,771
Visitors Facilities Fund.....................	8,500	8,500	0
Increase/Decrease(-)	0	0	(8,500)
1. Program transfer to Construction	0	0	(8,500)

NATIONAL PARK SERVICE - FY 1987 BUDGET REQUEST HISTORY TABLE

Appropriation/Activity/Subactivity	Request to Department	Request to OMB	Request to Congress
	(in thousands of dollars)		
Illinois & Michigan Canal National Heritage Corrider Commission......	0	0	0
Jefferson National Expansion Memorial National Historic Site Commission..........	0	0	0
TOTAL, DIRECT APPROPRIATIONS	824,881	774,243	655,184
--PROPOSED LEGISLATION--			
ONPS - Fee Programs			
Fee Collection Activities......................	0	0	11,121
Informational Publications....................	0	0	3,400
Visitor Transportation Systems................	0	0	4,002
Harpers Ferry Center-Exhibit Rehab Program....	0	0	3,962
Cultural Resources Preservation Program.......	0	0	5,193
Natural Resources Preservation Program........	0	0	6,971
Volunteers-in-Parks...........................	0	0	990
Repair and Rehabilitation Program.............	0	0	9,154
Enhanced Park Operations......................	0	0	14,207
TOTAL, ONPS Fee Programs......................	0	0	59,000
TOTAL, PROPOSED LEGISLATION	0	0	59,000
--PERMANENTS & TRUSTS--			
Land Acquisition..............................	0	0	0
Contract authority, permanent.................	30,000	30,000	30,000
Rescission of contract authority..............	(30,000)	(30,000)	(30,000)
Miscellaneous Permanent Appropriations........	11,022	1,266	1,271
Operation & Maintenance of Quarters..........	0	9,987	9,987
Misc Trust Funds (permanent, indefinite)......	8,058	8,833	8,833
TOTAL, PERMANENTS & TRUSTS	19,080	20,086	20,091

NATIONAL PARK SERVICE - FY 1987 BUDGET REQUEST HISTORY TABLE

Appropriation/Activity/Subactivity	Request to Department	Request to OMB	Request to Congress
	(in thousands of dollars)		
==GRAND TOTAL, NATIONAL PARK SERVICE==	843,961	794,329	734,275

NOTE: The fiscal year 1987 request to the Department assumed the fiscal year 1986 President's budget would be enacted as proposed. Thus the increases shown are above the 1986 President's budget, not the amount appropriated under P.L. 99-190.

AFTERNOON SESSION

AMERICAN REVOLUTION BICENTENNIAL ADMINISTRATION

Mr. YATES. The Subcommittee will come to order.

Mr. AuCoin has some questions. Mr. AuCoin?

Mr. AUCOIN. Thank you, Mr. Chairman.

My questions are for Secretary Horn and they have to do with claims relating to licensees under the American Revolution Bicentennial Administration. The law gave the ARBA the authority to provide for distribution and sale of commemorative materials and objects for the Bicentennial.

In exercising that authority, the ARBA entered into a series of licensing arrangements with companies to produce and market items. Licensees, as I understand it, were to retain the profits and pay a royalty sum in advance of sales.

Then the ARBA went out of existence and on January 19th, an Executive Order transferred the powers and functions of that agency to the Interior Department. So those functions now reside in the National Park Service.

The questions I have, Mr. Horn, are about problems that I understand remain over claims made against the American Revolution Bicentennial Administration and I wondered if you could tell the committee if you are familiar with that problem.

Mr. HORN. Yes, I am. Mr. Chairman, as a matter of fact, yesterday I signed a letter addressed to a number of members of Congress in response to their request as well as to counsel for a number of those individuals or entities that have filed claims against the Federal Government pursuant to the agreements reached with ARBA back during the Bicentennial celebration. I can summarize briefly.

We have concluded, in conjunction with the Justice Department and pursuant to a GAO investigation that was conducted as well, that there are no genuine legal claims or legal liability, that lie against the Department of the Interior. The statute of limitations has tolled and that has taken care of that.

Nonetheless, there have been significant questions of equity raised about reliance on the Government and whether or not the Government should basically stand behind the statute of limitations or whether we should take a look at this from an equitable perspective.

What we have concluded, after reviewing the GAO report, was that we will establish a procedure within the department for an equitable review of those claims that were filed as of July 1984, and there were six such claims. We will submit them to the Inspector General's Office for their review, to make a determination of the claims, look at the facts and circumstances surrounding the claims, have a report come back to the Secretary within the department.

We then will determine, as a matter of equity, whether or not we think some of these claims should be satisfied and then we would basically pursue appropriations from the Claims Judgments and Relief Fund, if we concluded as a matter of equity some compensation or settlement is warranted.

TREATMENT OF OTHER THAN SIX CLAIMANTS

Mr. **AuCoin**. Mr. Horn, you end up with six to be put through this process apparently because you are claiming that the statute of limitations pertains in this case. And there potentially are larger numbers than six claimants. And the GAO report, on December 30th, ruled that Interior was wrong to indicate that the statute of limitations came into play here and that the statute of limitations had run out. And the GAO indicates the claimants, who number more than six, do, therefore, have standing.

So what are you going to do with the other known claimants and the other potential claimants?

Mr. **Horn**. Since we are opening up this review process as a matter of equity, to examine these particular cases on the merits, we thought it was appropriate not to essentially invite new claims in. As of July 1984, only six of the potential claimants have taken affirmative action to protect their rights and interests.

Mr. **AuCoin**. Was that not because, in 1979, the SBA and the Department of the Interior and lawyers for some of the licensees had a meeting, and, at that meeting, Interior was provided a list of 32 claimants, a list of the licenses, an estimate of losses and the like. And at that time, Interior agreed that some of the claimants would file a test case and that it would file that test case under the department's administrative review procedures. And once that was done, that would serve as the model for settling future claims?

Mr. **Horn**. The test case was filed and a ruling was made by the National Park Services Contracting Officer in January of 1982, denying the claim. Nonetheless, the department sought and received——

Mr. **AuCoin**. Wait one second, now. Was that not appealed?

Mr. **Horn**. Yes, it was.

Mr. **AuCoin**. And was that not, then, subsequently settled.

Mr. **Horn**. It was settled. That is what I was referring to. During the period of 1983, an equitable settlement was reached with the particular claimant, $750,000 was appropriated, and payment was made to that individual in January of 1984.

However——

Mr. **AuCoin**. That, in fact, was the test case.

Mr. **Horn**. Yes, sir.

Mr. **AuCoin**. Then going back to the meeting in 1979 at which the Interior Department, SBA, and lawyers of the licensees met, it seemed to me that the test case agreed to was then, in August 1983, settled. And that, then, sets the stage—as was agreed back at the meeting in 1979—to provide the model—it provided the model on which the other claims might be looked at and settled.

Mr. **Horn**. Well, the test case basically, as a matter of law, made the determination that there was no legal claim that would lie against the Government. Thus, we settled it not as a matter of law, but as a matter of equity. Since that settlement was basically outlined and put together in 1983, in the following period of time, from the summer of 1983 until July of 1984, of this prospective group of claimants, only six took affirmative action to protect their rights and their interests by filing claims as of July 1984.

Our present conclusion is that those claimants who did not see fit to take action to protect their claims and interests as of July 1984 should not be afforded an opportunity now to participate in this equitable process that we have decided to establish. Those people, by failing to act, have basically not protected their interests and since legally we are under no obligation to look out for them, as a matter of equity, we basically should not let those who did not act to protect their interests into this process.

Mr. AuCoin. My understanding is that the payment on this settlement that was agreed to in August of 1983, when the payment was finally made and then the time that the department decided to cut off future claims, was a period of about six months. So what you really allowed was a six month window for claimants who might be scattered across the country to get the information, first of all—there was a chance to bring their claims forward—and to get them on any list for possible action.

That seems, to me, to be a rather short period of time.

Mr. Horn. It is not really a six month window. Please remember that any of the claims would have arisen from activities that occurred during the celebration of the Bicentennial in 1976 and basically——

CLAIMANTS AWAITED TEST CASE

Mr. AuCoin. Mr. Horn, let me just interrupt.

That is true, but going back to the point we both understand, the claimants originally agreed with the SBA and the Interior Department to proceed—to exercise some restraint and proceed with a test case. So obviously, you were not inundated at that time with a lot of claims. That was because a test case was going to be pursued.

It is not valid now to argue that they did not get in sooner. They, in good faith, were going forward and waiting for the final disposition of the test case, which came in August of 1983. The final settlement was agreed to at that time. The payment came somewhat later. And then, from the date of payment, on that settlement to the time you cut off the ability of claimants to come forward, is a period of only six months.

Mr. Horn. I guess we would maintain that since the test case ruling was issued in August of 1983, that we basically had an eleven month window of opportunity, until July 1984, for anyone to come forward and file a claim. Only six entities or individuals did so as of July 1984.

Now what we have established is this equitable review process for those individuals who acted to protect their interests. Note however, that the Comptroller General, in his report, stated that the other potential claimants may also pursue legal remedy through other litigation or through formal Contracts Disputes Act claims.

So we are making this extraordinary equitable review available to those six who acted on their own interests. Those who failed to act will not be availed of this opportunity, but have these other legal remedies, as noted by the Comptroller General.

Mr. AuCoin. Your department takes the position that the Comptroller General is wrong when the Comptroller General said, in his report, that the statute of limitations had not run out and that the claimants, therefore, do now have standing.

Mr. **Horn**. My understanding—and I do not have the report with me—at least the advice that I believe I have received from our solicitors is to the effect that the Comptroller General held that we have the authority to consider equitable settlements with these people, although they do not necessarily have a legal claim against the National Park Service as the successor in interest to ARBA.

I do not think we necessarily disagree on that point. Notwithstanding the fact that we maintain there is no legal liability that may lay against the Park Service, we have decided to avail of the six claimants of an opportunity to come to us for an equitable settlement.

Mr. **AuCoin**. Let me read from the Comptroller General's report. The first point he makes, and I am quoting, "The Department of the Interior may carry out its agreement to resolve claims by former licensees of the American Revolution Bicentennial Administration consistent with its earlier resolution of a test case notwithstanding the fact that the remainder of the claims were not formally filed with the agency until seven years after the termination of that applicable license agreements."

"The agreement in the test case did not constitute a settlement, as that term is ordinarily used by this office to refer to the determination of legal liability on the part of the Government. Instead, the department's actions apparently involve the determination that equitable factors favored payment and agreement to award compensation to the claimant only as specifically provided by Congress."

"Similar action in the present case would not be barred by limitations otherwise applicable to determination of legal liability."

Mr. **Horn**. That is it exactly—we are in agreement.

What the Comptroller General has held is that we may enter into equitable settlements with these claimants notwithstanding the fact that there is no legal claim that lies against us. We have agreed with that and have decided to establish this equitable procedure to review these six claims.

Mr. **AuCoin**. But your sense of equity only extends to six claimants whereas there are a number of claimants around the country. And some of the claims may actually have more validity than the six that you have chosen to deal with.

OTHER CLAIMANTS DID NOT TAKE ACTION

Mr. **Horn**. Our opinion was that if there were other claims, none of those other prospective claimants—in a seven-year period—have taken any affirmative action to protect their interests. And we should not extend—

Mr. **AuCoin**. That was a six-month period because, if you recall, the agreement in 1979 was that claimants or prospective claimants would restrain and refrain from moving forward because there would be allowed the pursuance of a test case. So then the window comes back to that six-month period from the time that you finally made payment in the test case and the time you decided to cut off people from getting on the list.

Mr. HORN. We would maintain that the window was at least eleven months, given the fact that the ruling on the test case was issued in August of 1983, although the payment—the check was not finally issued on settlement until January of 1984. That gave these prospective claimants, who have been waiting seven years, eleven months to take action to protect their interests.

I guess we just concluded that those who did not take action should not be afforded this extraordinary opportunity for an equitable claim or equitable settlement.

Mr. AUCOIN. Let me just ask you this, and I will not tie up the subcommittee's time much longer. Back in 1979, at the time of that original meeting, when it was decided to go forward with the test case, Interior did have a list of 32 claimants. When the decision was made to simply deal with the six, was any attempt made to notify the 32 that were known to the department, the remainder making up the 32 original claimants?

Mr. HORN. Not to the best of my knowledge. My understanding was that when we made this decision we looked at all of the folks who had been present and said that those who have taken action to protect their interests, we will give them this chance. Those who have not taken action to protect their interests, should not be afforded this special opportunity.

Mr. AUCOIN. Why would not a good faith effort be made to just notify those others, who made up the original group of 32, that that was the decision and direction the department intended to take?

Mr. HORN. Since we believe that we have no legal liability to any of these claimants, we did not want to set up a circumstance in which we were inviting claimants to come in and ask for this special equitable treatment and made the determination which I persuaded is a reasonable one, that if you did not act during the prior period of time to protect your interest, we should not then open up the door again for new claimants or the 26 who did not take action to protect their interests.

FURTHER COMMITTEE ACTION

Mr. AUCOIN. Mr. Chairman, I think this is something that the committee can look at in greater detail later. What we had in 1979 was an appeal to the claimants not to move forward so that a test case could be brought forward. The test case was brought forward. A settlement was reached. Now there is no effort or little effort to tell the possible claimants that they have a chance to get their disputes settled.

I think it is not a terribly good procedure. I am told that ARBA officials at one time committed to spend $750,000 in advertising. They ended up providing nothing, whereas the promise was extensive advertising. The agency failed to disclose the cancellation of proposed advertising promotion. The agency promised to create 40,000 official ARBA licensed retail outlets through retail chains and novelty chains, but failed to create any such outlets; failed to notify any of the licensees of this fact.

All of that, notwithstanding the fact that some of the licensees had to pay a royalty and sometimes in advance of sales in order to win a license.

Mr. **Yates**. Should we write a letter to Senator Warner?

Mr. **AuCoin**. Now with claims out there, there is a severe limitation put on the ability to sell them. I think the problem is larger than just the six. I think what you are proposing for the six is fine, but I think the problem is larger than that.

Mr. **Yates**. Shouldn't you write a letter to Senator Warner? He was Chairman of the Commission.

Mr. **AuCoin**. Let me ask you this; who with the Park Service, now since ARBA is out of existence and since the responsibility for this thing has now been given to the Park Service, is in charge here?

Mr. **Horn**. Most of this has been handled by the lawyers because it has been in litigation.

Mr. **Salisbury**. All we received were some documents and mainly a little bit of money which has since been spent on various activities that were authorized. In fact, we have virtually no activity at this point.

Mr. **AuCoin**. So, no one is in charge.

Mr. **Salisbury**. There is nothing to be in charge of, other than these lawsuits. The Park Service does not have lawyers. The Solicitor's Office takes care of that.

Mr. **AuCoin**. The Executive Order gave the authority from ARBA to the Interior Department which gave it to the Park Service, notwithstanding, there is no one there in charge.

Mr. **Salisbury**. Yes, sir, but all the issues that remain are apparently legal issues and, therefore, they are being handled by the Solicitor's Office.

OPERATIONS BUDGET OF NATIONAL PARK SERVICE

Mr. **Yates**. Mr. Mott, have the financial needs of the parks been lessened in the last couple of years?

Mr. **Mott**. They have been lessened in the area of land acquisition and capital improvements.

Mr. **Yates**. What about operations?

Mr. **Mott**. The operations budget of the National Park Service in the last couple of years has been kept at virtually the same level. In 1987, with our fee schedule, if that is approved by Congress, our operation budget will be higher.

Mr. **Yates**. And if it isn't, it will be lower.

Mr. **AuCoin**. Has that legislation been introduced?

Mr. **Yates**. Monday.

Mr. **AuCoin**. This last Monday?

Mr. **Yates**. It was submitted on Monday. It hasn't been introduced, I don't think.

Let's look at some of these figures. In 1984, Yellowstone received $12,759,000. In 1986, after Gramm-Rudman, Yellowstone received $12,627,828, a one percent cut. Has Yellowstone's needs been diminished in those two years?

Mr. **Galvin**. No, sir; they have not.

Mr. **Yates**. Just the funds have been diminished?

Mr. **Galvin**. Yes, sir.

Mr. **Yates**. Let's look at Yosemite. In 1984, Yosemite received a budget of $9,845,000. In 1986, adjusted after Gramm-Rudman, it received a budget of $9,180,692, or a cut of 6.7 percent, below 1984. Have Yosemite's needs diminished since 1984?

Mr. Galvin. No, sir; not to my knowledge.

Mr. Yates. Would you know if they had been?

Mr. Galvin. I would know of any major decreases in their needs. In fact, we have an increase requested for Yosemite in this budget for increased utility costs.

Mr. Yates. Cuyahoga received $2,972,000 in 1984. In 1986, it received $2,749,000, a cut of 7.5 percent. Allegheny Portage received $478,400 in 1984 and in 1986 received $452,764, a cut of 5.3 percent. The Indiana Dunes, in which I have an interest, received $3,974,200 in 1984 and in 1986, it received $3,526,000, a cut of 11.2 percent. It seems like the parks are marching backwards.

Mr. Galvin. Sir, those are cumulative effects of various kinds of cuts that have culminated, of course, in the Gramm-Rudman reductions. In the 1986 budget, we had a ten percent administration reduction and an across-the-board six tenths of a percent reduction agreed upon by the Congress. All of those do add up to five to six percent overall.

Mr. Salisbury. Mr. Chairman, in addition in 1985 we had an across-the-board two percent cut which was not restored. We also had to spread the grade bulge reductions which have shown up in budgets in several years among the parks as well as the regional offices in Washington.

Mr. Yates. What I said is true; the parks are marching backwards, as far as their funds are concerned.

Mr. Salisbury. As far as their base funding; yes, sir.

Mr. Yates. That makes your personnel smarter, doesn't it?

Mr. Salisbury. It makes them more creative.

ADVISORY COMMISSIONS

Mr. Yates. How many advisory commissions are there in the Park System?

Mr. Wright. There are 38 in existence right now, sir.

Mr. Yates. Why haven't they been cancelled out?

Mr. Wright. Each one of them is being examined, as the charters come up for renewal every two years.

Mr. Yates. Have none been renewed within the last six months?

Mr. Wright. Yes, sir.

Mr. Yates. They have been?

Mr. Wright. There are some that have been renewed.

Mr. Yates. Why have they been renewed?

Mr. Wright. Most of the advisory boards that we have in the National Park Service were established by statute which established the area. They are in existence for a period of ten years. Every two years the charters have to be renewed. There are four of them which were established administratively which are still in existence.

Mr. Yates. How many have been renewed?

Mr. Wright. My records show that right now all except two have been renewed.

Mr. Yates. That means 36 have been renewed?

Mr. Wright. Yes, sir.

Mr. **Yates**. If all those have been renewed, why hasn't Cape Cod National Seashore been renewed?

Mr. **Wright**. My understanding is that was administratively established and the department elected not to renew that.

Mr. **Yates**. Didn't I understand the statement this morning to be to the effect as a general rule to doing this was to do away with the advisory commissions?

Mr. **Wright**. The ones which we can legally do away with.

Mr. **Yates**. We can't do away with the 36?

Mr. **Wright**. I am showing 35 of them which are established by law. Those would run their course for ten years.

Mr. **Yates**. It is within the ten year period for those?

Mr. **Wright**. Yes, sir.

Mr. **Yates**. I thought I had asked if any had been renewed at the termination of their statutory period.

Mr. **Wright**. I beg your pardon. I misunderstood, sir. When you say "renewed," I was thinking of the charters being renewed every two years. That's what I was referring to.

Mr. **Yates**. The charters are renewed after the expiration of the basic statutory period.

Mr. **Wright**. Not necessarily. At the end of the ten year period, the charter would not be renewed.

Mr. **Yates**. Is that true in every case?

Mr. **Wright**. It is true in all of them except where I am showing four of them that have been administratively established.

Mr. **Yates**. Which have been renewed?

Mr. **Wright**. Yes, sir.

Mr. **Yates**. When were they renewed?

Mr. **Wright**. One was renewed last year. I think the other two are coming up. One was renewed this year.

Mr. **Yates**. One was renewed this year. How many were renewed last year?

Mr. **Wright**. One that I know of.

Mr. **Yates**. What happened to the other two?

Mr. **Wright**. Two of them were terminated or abolished. One was the Council for the National Park System Advisory Board and the other was the Cape Code National Seashore Advisory Commission.

Mr. **Yates**. They were not renewed?

Mr. **Wright**. Right.

Mr. **Yates**. The others were renewed?

Mr. **Wright**. That is right.

Mr. **Yates**. Why the distinction?

RENEWAL OF SOME COMMISSIONS

Mr. **Wright**. The one that was renewed last year was the National Capital Memorial Advisory Commission. That is the commission that serves Mr. Fish's office and advises him.

Mr. **Yates**. Mr. Fish, why was that renewed?

Mr. **Fish**. We thought it was important to renew it, Mr. Chairman.

Mr. **Yates**. Why was it important to renew it?

Mr. FISH. Because there are so many requests for additional monuments and statues, et cetera, in the city of Washington, we felt it was needed to help us make decisions.

Mr. YATES. This is a violation of the general rule?

Mr. FISH. I guess you have to look at each one individually.

Mr. YATES. You can't look at each one individually if you have a general rule; can you? That is the question I asked this morning, as to whether it should be looked at individually and I was told you have to have a general rule. Mr. Horn, is that right?

Mr. HORN. The general rule has basically been that where we have an advisory commission to a particular individual park, we think we can operate without it. In the case of some of these other elements, we are dealing with regional-wide arrangements, special circumstances.

Mr. YATES. Special circumstances; such as political circumstances?

Mr. HORN. No. I think, as Mr. Fish indicated, the case here in Washington about the memorials and monuments is a rather unique one, in trying to deal with that. Of course, the Park Service Advisory Commission, that is a service-wide major entity.

Mr. YATES. Did politics have anything to do with the non-renewal of the Cape Cod National Seashore Advisory Commission?

Mr. HORN. No, sir.

Mr. YATES. Not at all? Could you put a list into the record of the advisory commissions? What do your records show as to the number of advisory commissions that are in existence, just 38?

Mr. WRIGHT. I have a list of them right now, the ones that were established by administrative authority, and those which are statutory. We have a list we can provide for the record.

Mr. YATES. All right. And when they were renewed?

Mr. WRIGHT. I can provide that information. I don't have it with me at the moment.

Mr. YATES. Good enough; please provide it.

[The information follows:]

ADVISORY BOARDS AND COMMISSIONS

Title	Date Established	Date of Termination
Appalachian National Scenic Trail Advisory Council	March 21, 1978	March 21, 1988
Chattahoochee River National Recreation Area Advisory Council	November 30, 1984	November 30, 1994
Chesapeake and Ohio National Historical Park	January 8, 1971	January 8, 1991 (amended)
Delta Region Preservation Commission (Jean Lafitte National Historical Park and Preserve)	November 10, 1978	November 10, 1988
Gateway National Recreation Area Advisory Commission	October 27, 1972	October 27, 1992 (amended)
Golden Gate National Recreation Area Advisory Commission	October 27, 1972	October 27, 1992 (amended)
Gulf Islands National Seashore Advisory Commission	July 6, 1984	July 6, 1994
Ice Age National Scenic Trail Advisory Council	October 3, 1980	October 3, 1990
Illinois and Michigan Canal National Heritage Corridor Commission	August 24, 1984	August 24, 1994
Jefferson National Expansion Memorial Commission	August 24, 1984	August 24, 1994
Kalaupapa National Historical Park Advisory Council	December 22, 1980	December 22, 2005 (amended)
Lewis and Clark National Historic Trail Advisory Council	November 10, 1978	June 25, 1989 (amended)

Title	Date Established	Date of Termination
Martin Luther King, Jr., National Historic Site Advisory Commission	October 10, 1980	October 10, 1990
Missouri National Recreational River Advisory Group	October 2, 1968	No date set
Mormon Pioneer National Historic Trail Advisory Council	November 10, 1978	June 25, 1989 (amended)
National Park Service Subsistence Resource Commissions (7)	--	No date set
Aniakchak National Monument and Preserve	--	No date set
Cape Krusenstern National Monument	--	No date set
Denali National Park and Preserve	--	No date set
Gates of the Arctic National Park and Preserve	--	No date set
Kobuk Valley National Park	--	No date set
Lake Clark National Park and Preserve	--	No date set
Wrangell-St. Elias National Park and Preserve	--	No date set
National Park System Advisory Board	August 21, 1935	December 31, 1989
North Country National Scenic Trail Advisory Council	March 5, 1980	November 28, 1990
Oregon National Historic Trail Advisory Council	November 10, 1978	June 25, 1989

Title	Date Established	Date of Termination
Overmountain Victory National Historic Trail Advisory Council	September 8, 1980	November 28, 1990
Potomac Heritage National Scenic Trail Advisory Council	October 2, 1968	June 8, 1994 (amended)
Santa Monica Mountains National Recreation Area Advisory Commission	November 10, 1978	November 10, 1988
Sleeping Bear Dunes National Lakeshore Advisory Commission	October 21, 1970	October 20, 1987 (amended)
Upper Delaware Citizens Advisory Council	October 12, 1979	October 12, 1989 (amended)
Women's Rights National Historical Park Advisory Commission	October 1, 1981	December 28, 1990
Administratively established commissions		
National Capital Memorial Advisory Committee	August 18, 1970	December 31, 1986
San Antonio Missions Advisory Commission	November 10, 1978	June 17, 1990
Statue of Liberty-Ellis Island Centennial Commission	Presidential Proclamation	December 1992
Virgin Islands National Park Advisory Committee	July 2, 1984	July 2, 1994
Established by Presidential Proclamation		
Committee for the Preservation of the White House	Authorized March 7, 1974 Continued by subsequent Executive Orders	

Mr. YATES. Let's hear from the Directors, if we may. Where do we start? Heading the list——

Mr. DICKS. I would like to ask a few questions. I want to talk to the big Director.

Mr. YATES. All right. Let's tell the Regional Directors to relax while he talks to the big Director. Go ahead, Mr. Dicks.

INCOME FROM INCREASED FEES

Mr. DICKS. Thank you very much, Mr. Chairman.

Your budget request assumes increases in entrance fees for the national park system with a percentage of the funds made available to the Service for park operations. Since these funds will be replacing appropriated funds, if your request is approved, how will you make up differences if your income projections fall short?

Mr. MOTT. You're talking about the income from the fees?

Mr. DICKS. Right. What if your estimates don't live up to what your expectations are?

Mr. MOTT. Well, our estimates have all been conservative in connection with the revenues that we expect to get from entrance fees, and we're assuming that our entrance fee projections will not fall short, simply because they are conservative in the first place.

PROPOSED FEES AT MOUNT RAINIER NATIONAL PARK

Mr. DICKS. Well, out in the State of Washington, there is some concern about that. One example that I am personally familiar with involves the proposed increases at Mount Rainier National Park. The park is currently charging $2 per carload as its entrance charges with an alternative of 50 cents per person for bicyclists and people riding in buses.

The new schedule would change this to $10 and $5 respectively. Isn't this a rather dramatic increase to implement in one year?

Mr. MOTT. With regard to the entrance fees, it seems to me that for the opportunity to enjoy Mount Rainier and if that money is going to be used by that park, which is our basic concept, that the public will be more than pleased to pay that fee for a busload or a carload of people, and they have a one-week period of time in which to use that. They can go in and out of the parks as many times as they want to under those circumstances. We feel——

Mr. DICKS. So what if it's one person in the car? They still have to pay $10, right?

Mr. MOTT. That's right. It's per car.

Mr. DICKS. But if it's bicyclists, it will be $5 per bicyclist?

Mr. MOTT. I don't think we've made a determination on what we would charge bicyclists, because that's an administrative decision that we can make after this basic legislation goes through.

ANALYSIS USED TO DETERMINE FEE INCREASES

Mr. DICKS. What kind of analysis did you do before you came up with this approach? I mean, did you do any marketing surveys, or was this just done as kind of an OMB-directed gut reaction on somebody's part, that, well, we think the market will bear this, we can go from $2 to $10?

You know, it's a 500 percent increase in one year.

Mr. MOTT. Well, I think if you look at it that way, it seems like a large increase, but if you look at it——

Mr. DICKS. Well, what other way is there to look at it.

Mr. MOTT. Well, it's in relationship to other fees and charges that are made at other locations, state parks, other private campgrounds and so forth. The cost of going to a movie, for example, and things of that sort.

I think that this is a very reasonable charge. We haven't made any increase since 1972, and some of these charges have been in existence even before that time. And when you look at it from the point of view that we probably should have, if we hadn't been restricted from making these increases, that we should have been making increases right along since 1972, and we haven't done that. That's the reason it seems to jump all of a sudden.

But from my discussions with the general public from traveling around the country, they don't feel that this is an excessive amount of money.

Mr. DICKS. Well, I just think that trying to do this all in one year, in my judgment, is, I think, going to make it difficult for a number of low-income people who like to use these parks to use them.

Did you do any marketing survey? Did you do any marketing work to see what the reaction of would-be camp visitors or park visitors would be, or is this just a gut reaction?

Mr. GALVIN. Mr. Chairman, there are really two parts to the fee proposal. One was the establishment of a rationale for charging a fee. At the present time with entrance fees to national parks, there is no rationale. It's more a question of precedent. Why is it $2 at Mount Rainier and $3 at Yosemite? There is no good answer to that question.

So in the first instance, what we did was establish a set of criteria—there were six—in which we categorized the various parks in the system as to their value as an attraction, and those six criteria are in the Land and Water Conservation Fund Act. They are the direct and indirect costs to the Government, the visitor benefit, the comparable fees charged by non-Federal public agencies—the movies as an example—the public policy or interest served, other pertinent factors in the economic and administrative feasibility of fee collection. Those are the criteria that are in the Land and Water Conservation Fund Act that are suggested as a rationale for fees.

Applying those six criteria to the 337 areas of the National Park System established three levels of fees—Level 1, Level 2, and Level 3, if you will. At that point, we made several runs at revenue based on different kinds of fee levels—$2, $3, $5; $3, $5, $10. The $10 fee, which obviously gets the most attention, is only suggested at ten parks in the entire system. They are the parks with the widest variety of visitor facilities, with the widest variety of space, visitor amenities and various other kinds of things.

Obviously, if you use the $2, $3, and $5 criteria, that resulted in less revenue than the $3, $5, and $10 criteria. The $10 fee was suggested in a GAO report as a level of entrance fee that a visitor would be willing to pay to enter a national park.

STATE ROADS WITHIN MOUNT RAINIER NATIONAL PARK

Mr. Dicks. Well, my own judgment is, it's much too high for the first year, and I'd like you to put in the record what your revenue projections would be at the various alternative levels.

[The information follows:]

NATIONAL PARK SERVICE REVENUE PROJECTIONS BASED ON VARIOUS FEE LEVELS

	Million
Proposed Legislation	$473.75
Entrance fees $10, $5, $3	
Golden Eagle $40	
Golden Age $10 (One-time)	
$8 option	70.2
Entrance fees $8, $5, $3	
Golden Eagle $30	
Golden Age $10 (One-time)	
$5 option	56
Entrance fees $5, $3, $2	
Golden Eagle $25	
Golden Age $10 (One-time)	

I'd like to ask Mr. Briggle, who is the Regional Director in the Pacific Northwest, about a problem we face out there, and that is regarding two state roads, Routes 410 and 123, which currently run through the park.

Up until now they have been maintained by the state, and there have been no charges for driving on them. They only run through the park for 20 to 30 miles and serve as a shortcut for many people who are trying to go from Yakima over to the western side of the state.

The state had notified you at least a year ago that it was terminating the maintenance agreement on these two roads. I understand you have not included any funds in your budget to cover this additional maintenance. Now is this true?

Mr. Briggle. That's right, Mr. Dicks.

Mr. Dicks. Why wasn't it included?

Mr. Briggle. It was our number two priority in the Region in the request for funds in 1987, and the funds did not make the priority as far as the Service was concerned.

However, I might say that we'd be very hopeful that any fees that would be collected as a result of the additional costs of coming into the parks could hopefully be utilized to offset some $390,000 in operating costs that we would have to put in to maintain that road up to the Park Service's standards.

Mr. Dicks. Is it true that the Park Service is now planning to begin collecting tolls on these roads, that we're going to have tollgates on roads that have normally been open to people to go from, say, Tacoma over to Yakima? Are we going to have tollroads, too, through the park?

Mr. Briggle. To answer that, I've got a great affinity for the State of Washington, and I'm not sure how long I'd last there if I would come up and make that kind of a recommendation; however, I would say to you that I certainly would entertain a review and a study of doing just that.

Mr. **Dicks**. So that's one option that you are seriously considering?

Mr. **Briggle**. That's one option that would be considered.

Mr. **Dicks**. Now as I understand it, the problem is that there is a considerable amount of automobile traffic traveling these two roads, which is not park-related at all. In other words, it's just not people going into the park; it's people traveling between those two areas, and these are people traveling the shortest route from the region across Chinook Pass towards Yakima in the central part of Washington State.

In effect, the collection of tolls means they will be paying a $10 toll for driving on 20 to 30 miles of roadway; isn't that correct?

Mr. **Briggle**. That's exactly right.

Mr. **Dicks**. This will be clearly one of the most expensive drives in the United States.

Mr. **Briggle**. Well, we would try to make it worth their while. [Laughter.]

Mr. **Galvin**. One feature of the proposal that would ameliorate the expense of that drive is for those who drive from Tacoma to Yakima repeatedly would be the proposition that we'd have an annual pass for any individual park.

Mr. **Dicks**. Kind of like the old Golden Eagle? They could have a Golden Chinook? [Laughter.]

Mr. **Galvin**. The difference between that and the Golden Eagle would be that it would be park specific. There would still be a Golden Eagle, an annual fee to get into all parks in the system.

GOLDEN EAGLE FEES

Mr. **Yates**. Do you know what the Golden Eagle fee is going up to?

Mr. **Dicks**. $40. That's a 400 percent increase. The road to a balanced budget is long and difficult, let me tell you.

Mr. **Mott**. It's 100 percent for senior citizens.

SEATTLE OFFICE CLOSING

Mr. **Dicks**. I would hope—I mean, I am very upset about this prospect, and I would hope that we could somehow consider providing the funds that are necessary to maintain these roads without this kind of a fee. I think it's going to have a serious disruption on transportation in the State of Washington, and I'm very concerned about it, and I intend to talk to you more in detail about what possible solutions there are to this problem before we mark up this bill this year, so you can count on hearing from me.

I have one final question, Mr. Chairman. I appreciate your tolerance.

I have been very concerned about this proposal to close down the Seattle office of the National Park Service. And yesterday this committee adopted an amendment that I offered on the 1986 supplemental that I hope will give the Park Service the clear understanding that we do not favor the closing of that Regional Office.

And I understand that there wasn't really a national review done before that decision was made. I happen to believe that one of the best things that the Nixon Administration did was create a Regional Office system. And in talking to environmental groups, in talking to park people with extensive experience in the Park Service, I have become convinced that that office is something that is very much worthy, and that we will, in a sense, become second-class citizens if the Park Service moves all of that responsibility down to San Francisco.

So I have studied this matter, and I have appreciated the willingness of the Interior Department to come up and brief me about it and explain it to me. But in consultation with every member of our delegation and with our two Senators, we are convinced that this is not in the best interest.

We understand that you may have to cut back under OMB directives, may have to cut back some personnel, may have to reduce your overhead. We're certainly prepared to work with you to find savings. But to do it just this way, we think, will diminish the services available to the people of the States of Washington, Oregon, and Idaho. And I just hope that, based on this amendment, assuming that it passes the House and Senate and is signed into law, that the Park Service will reconsider its position on this issue.

Thank you, Mr. Chairman.

Mr. YATES. Let's talk to the Regional Directors now.

THE ROCKY MOUNTAIN REGION

Ms. Mintzmyer, how are things in the Rocky Mountain area?

Ms. MINTZMYER. Well, visitation is up. There are more visitors. The only state that had fewer visitors in 1985 was North Dakota, and in the southern parts of the region, visitation was up substantially.

We had a tough winter. We had late spring storms that caused major avalanches in our area. It will force the later openings of some of the roads, because of the large numbers of trees and boulders that are actually blocking the road passages.

Mr. YATES. Do you have enough money to clear the roads?

Ms. MINTZMYER. We have a plan, Mr. Chairman, whereby normally in road-opening season, we utilize overtime and pay a great deal of overtime. This year, we will not pay overtime, and that is what is precipitating the later opening of the roads. We will use the existing funds that we have.

Mr. YATES. When do you normally open your parks?

OPENING SEASON FOR YELLOWSTONE NATIONAL PARK

Ms. MINTZMYER. It depends on the park. Yellowstone usually opens around the 1st of June, at the East Entrance. I'll give you the exact dates, if you like, of when we normally open them. Is that what you'd like?

Mr. YATES. Yes.

Ms. MINTZMYER. The West Entrance usually opens the first week in April; it is now projected to open April 26th. The East and South Entrances usually open on May the 1st. They are now projected for the 16th of May. The American Highway is usually open before June; this year it will open hopefully on June 10th.

Mr. YATES. Why the delays? Money?

Ms. MINTZMYER. We have a monumental job, sir, to clear those roads, because we will not be able to use the snowblasters, as we normally do, to blast the snow out. We will actually have to go in with dozers to remove large amounts of earth and snow and trees and rocks to clear the roads, so it will be a more complex operation this year.

We also will allow more time for that particular activity to enable us to get the roads plowed in a less amount of time.

Mr. YATES. Is part of the reason for not opening them when you originally scheduled the fact that you are saving money that way?

Ms. MINTZMYER. That is a factor, but it is not a substantial factor, sir. It's just a case of not being able to move that much material that fast that is the factor.

MAINTENANCE IN ROCKY MOUNTAIN REGION

Mr. YATES. What about maintenance? Are you deferring maintenance beyond what you ought to defer it?

Ms. MINTZMYER. As a result of Gramm-Rudman and cuts that have been made that you have heard about in detail today, we are deferring some maintenance. There were decisions that we had to make to maintain operations.

We will also be recommending—

Mr. YATES. You will be deferring maintenance that was originally scheduled to be made this year?

Ms. MINTZMYER. That's true, sir. We had to make those decisions. Of course, we did decide that we wanted to keep the facilities open, so that visitors could be served. We felt that we could do some short-term deferral this year under the Gramm-Rudman cuts and the 6 percent cut. The deferral would allow us to keep the facilities open.

We will also be recommending to your committee the reprogramming of a project in the rehab program that will enable us to keep campgrounds open, to provide lifeguards in some cases, and also to maintain visitor hours in more substantial form.

We will have fewer seasonals, as has been discussed earlier today.

EFFECTS OF CUTS

Mr. YATES. What about the services you render to the public? Will your cuts prevent you from giving them the kinds of service you have given them in the past?

Ms. MINTZMYER. As the Director has testified, we will have some cases where the lower staffing levels will mean that we have reduced hours, shorter tours, and fewer seasonals.

Mr. YATES. What about safety patrols?

Ms. MINTZMYER. Pardon me, sir?

Mr. YATES. What about safety patrols?

Ms. MINTZMYER. Consistent with the Director's concern that we make certain that visitors are protected, we will not be reducing the amount of safety that's available to our visitors. That's why we will be recommending reprogramming to you and also why we would reduce our maintenance to provide that kind of service.

Mr. YATES. Will you be reducing the number of your safety patrols?

Ms. MINTZMYER. Not significantly; no, sir.

Mr. YATES. How much of a reduction will there be?

Ms. MINTZMYER. It is minor, sir. I will have to provide that number to you for the record.

[The information follows:]

SAFETY PATROLS FOR THE ROCKY MOUNTAIN REGION

There will be fewer patrols at six park areas—Bighorn Canyon National Recreation Area, Capitol Reef National Park, Custer Battlefield National Monument, Glacier National Park, Mount Rushmore National Memorial, and Yellowstone National Park. These reductions will not significantly impact the safety of our visitors. Patrols being reduced at Capitol Reef, Custer, and Mount Rushmore are primarily for resource protection, providing visitor information, and monitoring visitor activities. Law enforcement and visitor safety are the primary purposes of boat and road patrols at Bighorn Canyon, Glacier, and Yellowstone. Patrol coverage will continue during times considered necessary because of visitor use. The reduction at Glacier is from two seasonal rangers to one ranger during the hours of 10 p.m. through 2 a.m. on the westside of Going-to-the-Sun Road, with no road coverage from 2 a.m. through 6 a.m. At Bighorn Canyon, boat patrols in the North District are being reduced during the week when visitor use is very low, but full coverage will continue during the weekends. At Yellowstone, five seasonal road partol rangers will not return, resulting in curtailment of road patrols by about 10 percent. While we would prefer making no reductions in our patrols, we consider adjustments of this nature to be acceptable and well within the Director's policy that reductions must not result in a direct and serious threat to safety.

Mr. YATES. Will your permanent personnel have to assume a larger number of responsibilities than they had previously?

Ms. MINTZMYER. They will, of course, take up some of the slack, and they are willing to do that because they are very concerned.

Mr. YATES. What do you mean by pick up some of the slack? Do you mean they will be cutting trees or something that they wouldn't have before?

Ms. MINTZMYER. I don't believe so, sir. What they will be doing is trying to provide the coverage, if they can at all, to make up for the reduced numbers of seasonals that we have. We will have a substantial number less this year.

Mr. YATES. You mean they will be taking tickets and collecting Mr. Mott's fees?

Ms. MINTZMYER. Our seasonals usually collect the fees, Mr. Chairman.

Mr. YATES. Your seasonal employees.

Ms. MINTZMYER. Yes, sir.

Mr. YATES. Suppose you don't get the fees and you don't have seasonal employees? Then you don't have to worry about collecting fees, do you? Do you have any fee collections at your park now?

Ms. MINTZMYER. Yes, we do. The fee collection proposal does not have a bearing on the answers that I'm giving you right now. That is a different circumstance. What I am telling you about now is what we are doing in our operations as a result of the effects of fiscal year 1986. With the proposed reimbursement of Gramm-Rudman cuts in fiscal year 1987 and additional fees, we would be back to where we were before, as Mr. Horn testified.

Mr. YATES. You are back beyond where you were before, aren't you?

Ms. MINTZMYER. There have been some changes. I don't have the figures that you were reciting for fiscal year 1984 with me, Mr. Chairman, so I cannot verify what has happened since then.

REDUCED HOURS AT ENTRANCE STATIONS

Mr. YATES. Will you have to close any part of your parks because of lack of funds?

Ms. MINTZMYER. We are not closing any part of our parks. We are not closing campgrounds. We are just having reduced hours at some of our entrance stations where it costs us more to keep them open than it does to collect fees.

Mr. YATES. What will your new hours be as opposed to your old hours?

Ms. MINTZMYER. We had some cases where there were 24-hour entrance stations. Some of them will be reduced to 12 hours. I can provide specifics for you for the record, but some will be reduced from 12 to 8 hours. But they would be in off hours, not the peak hours, where the revenue would not be very substantial.

[The information follows:]

ENTRANCE STATION REDUCTIONS

The fee collection season will be slightly shortened at Black Canyon of the Gunnison National Monument and Badlands National Park. Entrance stations will be fully operated from Memorial Day to Labor Day. Normally, the fee collection season is from May 24 through September 10 at Badlands and from Memorial Day through mid-October at Black Canyon. The collection season at Theodore Roosevelt National Park will be shortened 3 days. Entrance station hours at Colorado National Monument are being reduced 2 hours a day, closing at 6 p.m. instead of 8 p.m. Frequently, fee collection operations are extended outside of economically feasible periods. The use of entrance stations as key visitor contact points often overcomes the poor economics of the operations when viewed only from a fee collection standpoint.

Mr. YATES. Do you have gates at your entrances?

Ms. MINTZMYER. You mean literally a gate? No, sir.

Mr. YATES. You don't have personnel there, but people can come in, can't they?

Ms. MINTZMYER. Yes, sir.

Mr. YATES. So your fees will not be collected after hours.

Ms. MINTZMYER. That is true.

OTHER PROBLEMS

Mr. YATES. We don't have to worry about safety in any of your parks, do we?

Ms. MINTZMYER. I think I can assure you, Mr. Chairman, that our visitors will be very safe.

Mr. YATES. Thank you very much.

Anything you should tell me that you haven't so far?

Ms. MINTZMYER. I can always respond to your questions, Mr. Chairman.

Mr. YATES. I know you can. I am trying to get you to respond beyond that. I'm trying to get you to tell me what your problems are that you won't have money to take care of.

Ms. MINTZMYER. I think we have done some things that have helped eliminate some of those problems. One such case is working with different entities to provide more volunteers. We have more volunteers and more volunteer hours in our Region than we have ever had before. We are promoting private citizen efforts to help us in our sanitation. We have recently negotiated an agreement with a concessioner at Mesa Verde to operate the campground there. It is a fine concessioner and will provide an even better level of service than we have been able to, which makes us happy.

Mr. YATES. That won't be hard after Gramm-Rudman, will it?

Ms. MINTZMYER. We are also working with our concessioners in other ways to help them provide the infrastructure for development like they have in Glen Canyon. We are trying many approaches in different ways to try to get the work of the National Park Service done in an effective manner. It is a different way of doing business.

GLEN CANYON CONCESSION

Mr. YATES. Are you overdeveloping the Glen Canyon facility?

Ms. MINTZMYER. No, sir, we are not. There is not much going on right now at all.

Mr. YATES. Is the concessioner overdeveloping?

Ms. MINTZMYER. The concessioner is working very much hand in glove with us. We have told the concessioner that until we can come up with some kind of an arrangement whereby they would help to provide the infrastructure that would be used to support their development, that we were freezing the development at Glen Canyon.

BURR TRAIL

Mr. YATES. How are you getting along with Burr Trail?

Ms. MINTZMYER. We have been working on developing legislation, draft legislation at the request of Senator Garn. I believe he does have it now, and I do not know that it has been adopted.

Mr. YATES. Are you going to pave it?

Ms. MINTZMYER. I think Mr. Mott might like to answer that question.

Mr. YATES. Mr. Mott might like to pave it?

Ms. MINTZMYER. No, no, no. Might like to answer the question. [Laughter.]

Mr. YATES. Are you going to pave it, Mr. Mott?

Mr. MOTT. No, we are not going to pave it. The only areas that will be paved will be on some of the switchback areas to prevent erosion and to make it simpler to maintain, and that would be paved with either colored concrete or asphalted concrete to match the canyon areas.

FERRY AT GLEN CANYON

Mr. YATES. How is the ferry doing at Glen Canyon?

Ms. MINTZMYER. The ferry has a few problems, but now it is operational. It meets the Coast Guard standards and will be fully operational this summer and back in service again.

Mr. YATES. How much traffic is on there?

Ms. MINTZMYER. The traffic on the last day I was there when it was operational was not that significant. Of course, admittedly, that was the middle of winter, but it is being utilized quite a bit in the summertime.

Mr. YATES. When does that open?

Ms. MINTZMYER. It is open year-round.

Mr. YATES. Any snow up there?

Ms. MINTZMYER. At Glen Canyon? We had just a wee bit, but it is a very warm climate.

Mr. YATES. Oh, really?

Ms. MINTZMYER. Yes, sir. Snow is no factor there.

Mr. YATES. Okay. Thank you very much.

Ms. MINTZMYER. You are welcome.

NORTH ATLANTIC REGION

Mr. YATES. Mr. Cables, North Atlantic. Do you have any problems other than the Cape Cod National Seashore?

Mr. CABLES. None that are significant. I think all of us in the region are looking forward to the reopening of the Statue of Liberty on the Fourth of July. We have held meetings this past month with all of the superintendents of the various parks within the Region, for the purpose of assessing what effects the Gramm-Rudman proposal would have on them.

We made some tough choices relative to the things that we will reduce. Examples are that we probably will provide less material services, and activities will decrease in some instances, such as the treatment of historic artifacts. We will probably cut back on the openings of some of the parks that are closed, such as the Home of FDR, which normally opens in March. It will open in April. But in no way do we expect to decrease the safety that is now provided to the visitors.

We don't think that we will have to cut back significantly on the maintenance and upkeep, and all in all, I think we will be able to manage in a way that will least affect the visitors.

STATUE OF LIBERTY/ELLIS ISLAND CELEBRATION

Mr. YATES. Are you required to put up any of the funds for the Fourth of July celebration for the reopening of Ellis Island and Liberty Island?

Mr. CABLES. No, sir. All of the funds that are attendant to that opening are provided by the Foundation.

Mr. YATES. Do you have any control over the ceremony?

Mr. CABLES. Very little.

Mr. YATES. Should you have?

Mr. CABLES. No, sir. I think that the ceremony is being handled and produced by David Wolper. He has worked very closely with the superintendent in my office in regard to all the activities that are going to take place that weekend, and, given the detail and the people that are involved with that, I much prefer have him doing it. He has much more experience.

Mr. YATES. What about the question of dealing with the crowds? How will that be done? Do you know yet?

Mr. **Cables**. There is a security task force that is working on all of those details, and it is comprised of the Coast Guard, the Secret Service, the security force, the law enforcement rangers, the Park Police, and the New York City Police Department, and they have——

Mr. **Yates**. This is what, to protect the President?

Mr. **Cables**. This is to protect all of the visitors. The President's security will be provided by the Secret Service.

Mr. **Yates**. How many people will you be able to accommodate at the festivities?

Mr. **Cables**. On the aircraft carrier on the evening of July 3rd, they are anticipating that there will be 2,500 people. There will be a swearing-in ceremony on Ellis Island which will involve about 400 people. The next day, there will be numerous events in conjunction with the tall ships and all of the ships from the various navies of the free world.

So there will be upwards of maybe 30,000 to 40,000 people in the lower Manhattan area in especially-constructed bleachers. In terms of our responsibility as it relates to people, there is no demand on the park service or our resources. We open the Statue on the 5th of July, and we will be open on a regular schedule after 9:00 a.m.

The first visitors to the Statue will be schoolchildren from the United States and France, 150 of them from the United States.

Mr. **Yates**. This is on July 5th?

Mr. **Cables**. Yes, sir.

Mr. **Yates**. When does the jurisdiction of the Commission end and yours begin, on the 5th?

Mr. **Cables**. Basically, we have never relinquished the jurisdiction in terms of the events. The operation of the Statue commences on the 5th of July. The activities that are part of the Fourth of July weekend extend through the 6th of July.

Mr. **Yates**. Extend through the 6th.

Mr. **Cables**. Yes, sir.

THE STATUE OF LIBERTY—ELLIS ISLAND CENTENNIAL COMMISSION

Mr. **Yates**. So that the Commission doesn't leave your life until the 6th?

Mr. **Cables**. The Commission doesn't leave our life until 1992.

Mr. **Yates**. Is that because of Ellis Island?

Mr. **Cables**. That's correct.

Mr. **Yates**. Is that good or bad?

Mr. **Cables**. It is good because we have no other source for funding.

Mr. **Yates**. I see. That's bad. [Laughter.]

It is too bad you have to rely on the Commission. What does that mean in terms of the development of Ellis Island now? Mr. Galvin wants to develop it a certain way, and Mr. Iaccoca says no. Now, where are you? Are you the referee here between Mr. Galvin and Mr. Iaccoca?

Mr. **Cables**. I am pleased with the Commission. The Commission has two subcommittees——

Mr. **Yates**. Did you say you are siding with the Commission?

Mr. **Cables**. No. What I said was I am pleased with the progress of the Commission. The Commission has two committees, one on architecture, and a finance committee. They are charged with responsibility for coming up with alternatives——

Mr. **Yates**. It sounds like you are on Iaccoca's side.

Mr. **Cables**. No; I think I am on the side of the recommendation that will be forthcoming from the Commission. I think that is the best way to go.

Mr. **Yates**. From the Commission rather than from Mr. Galvin? I think Mr. Galvin's ideas don't agree with those of the Commission, do they, or am I wrong on that?

Mr. **Cables**. I think that the Park Service has a position, Mr. Chairman——

Mr. **Yates**. But that is opposite to the Commission position, as I understand.

Mr. **Cables**. I am not certain of that.

Mr. **Yates**. Let's find out from Mr. Galvin. Let the witness speak for himself.

ELLIS ISLAND DEVELOPMENT

Mr. **Galvin**. The matter has been before the Commission since 1983. They have never made a determination on what should happen on the south side of Ellis Island. Prior to the Commission being established, the National Park Service issued a request for proposals and selected what they thought was the best one.

Mr. **Yates**. Are you talking about the south part or are you talking about the north part?

Mr. **Galvin**. Yes, I am talking about the south part. There is no disagreement on the north part of Ellis Island.

Mr. **Yates**. All right. Then the only disagreement is on the south part.

Mr. **Galvin**. That is correct.

Mr. **Yates**. And that won't be settled until 1992?

Mr. **Galvin**. No. Their schedule is to make recommendations to the Secretary this year on a selected alternative for the south side of Ellis Island.

Mr. **Yates**. Okay. And their recommendation will be Mr. Burgee's recommendation?

Mr. **Galvin**. No. Mr. Burgee's proposal is one of a series of alternatives they are looking at, which also includes the alternative of——

Mr. **Yates**. The "they" you are referring to is the Commission?

Mr. **Galvin**. That's right, the Commission. And the two subcommittees that Mr. Cables referred to are the subcommittees that are assessing, one, the architectural merits of the proposals, and the other committee is looking at the financing of the proposals.

Mr. **Yates**. Where does Congress come into this? Shouldn't Congress have a voice in how Ellis Island is restored?

Mr. **Galvin**. Yes, sir. I believe the Secretary committed to you that you would have a voice in it if you so chose, and that——

Mr. **Yates**. How do we choose?

Mr. **Galvin**. I believe you kept the record open for 60 days.

Mr. **Yates**. We did keep it open, but what do we do, then? Apparently you and the Commission are deciding on what to do with the southern tip, right? And where does Congress come into that picture?

Mr. **Galvin**. If we go back to the pre-Commission history of Ellis Island, the proposals for the development of Ellis Island were all done as part of our normal general management planning process, and a plan was completed for the Statue of Liberty and Ellis Island in 1982. The proposal made by the Center for Housing Partnerships for the development of the south side of Ellis Island is consistent with that general management plan.

There are other proposals that could be consistent as well. The principles advanced in that general management plan were to stabilize the historic exteriors of the buildings on the south side of the island, and there are other proposals that might be equally as good in achieving those objectives.

Mr. **Yates**. You mean the conference center is necessary to stabilize those buildings?

THE MAIN BUILDINGS ON ELLIS ISLAND

Mr. **Galvin**. It would provide stabilization of those buildings.

Mr. **Yates**. Do you mean financial stabilization?

Mr. **Galvin**. I mean architectural stabilization. The difficulty with stabilization—well, no park service proposal has ever advanced the idea that those buildings are essential for public use on the island. There is simply too much building space on the island to make it practical to use all that space for visitor exhibits for the normal kind of park experience for a visitor.

The buildings on the north side of Ellis Island, the ones that are currently being proposed for public use, are larger than the National Gallery of art, both buildings of the National Gallery of art. In addition to that fact, you have the factor—

Mr. **Yates**. Who is proposing that, now?

Mr. **Galvin**. That is the proposal we agree upon, that everybody agrees upon, is that the main building on Ellis Island, which was the center of the immigrant experience, is the building that should be developed for public use. The Commission, the Foundation, the National Park Service all agree on that. That is going forward. That work is taking place.

Mr. **Yates**. That is the northern part.

Mr. **Galvin**. That's right.

Mr. **Yates**. All right.

Mr. **Galvin**. But the northern part of Ellis Island has more building space than the National Gallery of Art, 250,000 square feet. It is because of the amount of building space out there that it simply is not, in our view, and because of the character of the buildings, also—essentially hospitals with small rooms—there is not a practical use for those buildings from the standpoint of visitor use.

So we have always—

Mr. **Yates**. Are those the ones that Mr. Burgee wanted to tear down?

Mr. **Galvin**. Yes, sir. The earlier proposal by Mr. Burgee proposed to tear those buildings down and make that side of the island open space. There are other proposals that propose to demolish some of the buildings, and the judgment of the professionals are that they are of varying importance, but everyone has agreed that the buildings around the ferry slip are essential.

CASTLE CLINTON

Mr. **Yates**. I want to hear about Castle Garden. I have not heard much about that. Is that building into shape and is that part of the development?

Mr. **Galvin**. It is part of the development. The Foundation has a lot of the money for the development of Castle Clinton, which was Castle Garden in the 19th century, as the mainland terminal for both the Statue of Liberty and Ellis Island.

It will be developed essentially maintaining the historic exteriors and using contemporary buildings in the parade space as ticket booths and information stations. And that work is underway and will be substantially complete by July 4th.

Mr. **Yates**. That, too, will be complete by July 4th?

Mr. **Galvin**. Substantially. It will be used as a terminal. All the construction may not be complete, but we will be using it as——

EVENTS AT THE CELEBRATION

Mr. **Yates**. How does one get to participate in this historic event? Can the general public see what is going on?

Mr. **Galvin**. You are talking about the celebration?

Mr. **Yates**. Yes.

Mr. **Galvin**. All of the events are so large scale that many of them can be viewed by the general public merely by being on a boat or in Battery Park; the fireworks displays, the displays that take place in and around the Statue, the tall ships.

In addition to those, there are a series of attractions that will require an entrance fee. There will be attractions on the New Jersey side. There will be attractions at the Meadowlands. There will also be a fee to be on the carrier. And they vary——

Mr. **Yates**. Oh, can anybody go on the carrier?

Mr. **Galvin**. No, that will be——

Mr. **Yates**. You mean the celebrities will have to pay a fee to get on the carrier.

Mr. **Galvin**. The notion is that the entrance fees will pay for the celebration.

Mr. **Yates**. Really? You mean Mr. Iaccoca has to pay a fee, too?

Mr. **Galvin**. That is my understanding.

Mr. **Yates**. How much of a fee will he have to pay?

Mr. **Galvin**. It depends on what he does, but what I saw the other day varies from about $50 to $2500 each.

Mr. **Yates**. Really. This is just for the one event. That is not your usual fee?

Mr. **Galvin**. No, that is correct. [Laughter.]

I started all that by saying you are talking about the celebration weekend.

Mr. **Mott**. It makes our $10 look pretty small. [Laughter.]

Mr. **Yates**. That is the only thing that does. [Laughter.]

Mr. **YATES**. Does the President have to pay a fee?

Mr. **GALVIN**. I do not think so, but I am not sure.

Mr. **REGULA**. How about the Chairman of the Interior Subcommittee of Appropriations? [Laughter.]

Mr. **GALVIN**. From my meeting, the other day, I believe the answer is yes. [Laughter.]

For those things that others pay fees for.

DECISION AWAITED BY FOUNDATION

Mr. **YATES**. Well, where were we in connection with the dispute? Do we have to wait until May 2nd to hear it has been resolved?

Mr. **GALVIN**. I believe Mr. Cables put it accurately. The Commission is working on making a recommendation to the Secretary and—

Mr. **YATES**. For the southern tip?

Mr. **GALVIN**. Yes, that is right. That is one of their major agenda items, in fact. They will visit Ellis Island, I believe, next month, in April. And we should be able to report on their progress in May. I do not believe they will have their selection.

Mr. **YATES**. Will the Foundation be collecting money for carrying out the decision of the Commission?

Mr. **GALVIN**. That decision has not been made. At the last Commission meeting, they discussed that possibility, but the south side of the island has never been in the funding targets for—

Mr. **YATES**. That came out at the last hearing and I wondered whether, in view of the fact that now—from what you say—peace has broken out between the Iaccoca forces and the advisory commission, where there would be an amendment to persuade the Foundation to provide the funds for finishing the job?

Mr. **GALVIN**. As I say, that suggestion was raised at the last Commission meeting, but no decision was made on it.

Mr. **YATES**. Well, the decision has to be made by the Foundation rather than the Commission, does it not?

Mr. **GALVIN**. That is correct, but at the Commission meeting the question was raised as to whether an additional $50 million, currently earmarked for work on the north side of the island, might be diverted to the south side of the island. No decision was made on that.

DEVELOPMENT ON NORTHERN PART OF ELLIS ISLAND

Mr. **YATES**. Does that mean you do not need all the funds for development of the northern part of the island, that have been raised?

Mr. **GALVIN**. No, that is not true now. This would be funds that have not been raised. The $265 million funding target essentially does not touch the south side of the island.

Mr. **YATES**. That does not answer my question. You said that $50 million might be transferred from the northern part of the island development to the southern part.

Mr. **GALVIN**. Okay, you could spend as much as $315 million without doing anything on the south side of the island. There has been talk of raising the funding target to $315 million.

Mr. **YATES**. For the development of the northern part?

Mr. GALVIN. Yes, sir. Originally, that additional $50 million would go to additional stabilization of historic buildings on the north side of the island.

Mr. YATES. Why are they not stabilized?

Mr. GALVIN. There are other buildings on the north side of the island that will be more or less developed, depending upon the funding targets reached. The lowest funding target will develop the main building. It will stabilize and develop the main building and stabilize one other building on the north side of the island.

Additional funding targets will do more stabilization on the north end of the island.

Mr. YATES. Does that mean that the taxpayers may be called upon at some time in the future to provide the funds to stabilize buildings on the island? From what you say, the funds may not be raised for that purpose.

Mr. GALVIN. It seems to me that the possibility of that is greater on the south side of the island than on the north side of the island. The north side of the island will be basically stabilized under this option, under the existing $265 million target.

Mr. YATES. Thank you.

But you are not going to call on the committee for any funds for this project until 1992?

Mr. GALVIN. No, the north side of the island will be open to the public in 1988.

Mr. YATES. Not before then?

Mr. GALVIN. Not before then. That is a schedule slip, incidentally, but the current schedule is to have it open in the summer of 1988.

Mr. YATES. When was it originally scheduled to be opened?

Mr. GALVIN. It was originally scheduled to be open this summer.

Mr. YATES. Oh really? What made it slip?

Mr. GALVIN. A bigger job than we anticipated.

Mr. YATES. When you say "we", is this the Commission or you?

Mr. GALVIN. All of us. The Foundation, the Commission and the National Park Service.

The design work on the north side of Ellis Island has all been done by an architectural firm that is in the employ of the National Park Service. It was done through the normal competitive procurement process.

Mr. YATES. You had no problems with the Commission on this?

Mr. GALVIN. No, sir.

Mr. YATES. Or with the Foundation?

Mr. GALVIN. No, sir.

Mr. YATES. Mr. Galvin, what do you foresee as happening then? Do you foresee the job as going forward on the southern tip then, without any problems?

Mr. GALVIN. I think the chances of that are fairly good right now.

Mr. YATES. You have pretty well made peace with yourself over this? The last time we had a hearing on this, you seemed somewhat upset. It was immediately following the Iaccoca outburst.

Mr. GALVIN. I would not characterize myself as upset. I was—

Mr. YATES. Oh, no. That was my characterization.

[Laughter.]

Mr. **Galvin**. I was providing information on the background of the dispute.

Mr. **Yates**. Yes, you did that, all right.

[Laughter.]

Mr. **Yates**. Can we leave it there until May 2nd? Is there anything else you want to say about this?

Mr. Cables, anything else you want to tell us about Ellis Island or about Liberty, or have we covered it pretty well?

Mr. **Cables**. I think you covered it fairly well.

ORIGINAL NATIONAL PARK SERVICE PLANS FOR ELLIS ISLAND

Mr. **Dicks**. May I ask a question, Mr. Chairman.

Mr. **Yates**. Surely, Mr. Dicks.

Mr. **Dicks**. I was unable to be here when the Committee went through this prior—what is this issue about the hotel and the conference center? [Laughter.]

In about two paragraphs, I would just like to understand what this is all about.

Mr. **Yates**. Two short paragraphs, Mr. Galvin.

Mr. **Galvin**. Pre-Commission, before there ever was a Statue of Liberty-Ellis Island Centennial Commission, the National Park Service put a request for proposals out to the public to find appropriate uses for the buildings on the south side of Ellis Island. Fourteen proposals were received and evaluated in a normal manner.

The successful proposal, the one proposal that we felt was most compatible with the existence of a national historic site and with the character of the building, was for a conference center. The conference center has three parts to it; the conference center itself, overnight accommodations, and overall development of the site to create the conference center.

The fact that there were overnight accommodations, that one of the potential partners in this joint venture was Sheraton, led some to characterize it as a luxury hotel. That was not a Park Service description.

Mr. **Yates**. Thank you, Mr. Galvin.

OVER COMMERCIALIZATION OF ELLIS ISLAND DEVELOPMENT

Mr. **Yates**. Has the activity been over-commercialized? Does anybody review the activities of the Commission and the Foundation to see whether or not there has been any waste, fraud, or other unfortunate circumstances?

Mr. **Cables**. In regard to the commercialization, product sponsorship and so forth, the superintendent attends weekly meetings of the Foundation. In regard to the expenditures of dollars, there is a monthly accounting provided to my office and subsequently the Director's office.

Mr. **Yates**. Nothing untoward in any of that activity that you have seen?

Mr. **Cables**. Nothing that I have seen and there will be a GAO report, I believe, this month.

KODAK EXHIBIT ON ELLIS ISLAND

Mr. YATES. There has been a report, for example, that there have been concessions, like the one to Kodak, of a permanent Kodak exhibit on the island. Do you know anything about that?

Mr. CABLES. Yes, I do. There is an exhibit called the American Family Album which will be displayed for a period of six months on E-2 which is on the second level of the Statue. And that exhibit will move over to Ellis Island for approximately a year.

Mr. YATES. This is the Kodak exhibit?

Mr. CABLES. This is the Kodak exhibit, yes.

Mr. YATES. Is it just the exhibit, or do they sell film there?

Mr. CABLES. Just an exhibit.

Mr. YATES. How did it happen that Kodak has that right and no one else has that right, to advertise its product?

Mr. CABLES. All of the sponsors who are contributors to the Statue have the right to, within the Statue grounds and the Ellis Island property, advertise and recognize their products.

In the case of Kodak—

Mr. YATES. Advertisements on the island?

Mr. CABLES. Not on the island itself. In other words, there is a donor wall identifying all the corporate sponsors to the Ellis Island Project.

Mr. YATES. That is just a wall that has their names?

Mr. CABLES. It contains a big plaque.

It was the feeling of the superintendent who sits on the Product Review Board, that the Kodak exhibit was an appropriate exhibit to allow given the significance of it in regards to the American Family Album.

Mr. YATES. Did you have to pass on it?

Mr. CABLES. Yes, sir.

Mr. YATES. Did you approve it?

Mr. CABLES. Yes, sir.

Mr. YATES. Now, why would you approve a permanent exhibit by any single company?

Mr. CABLES. It is not permanent.

Mr. YATES. Well, six months. It is pretty permanent. That is a six month concession.

[COMMITTEE NOTE.—The committee has subsequentially received the following letter to correct Mr. Cables' statement regarding the Kodak exhibit.]

[The information follows:]

United States Department of the Interior
NATIONAL PARK SERVICE
North Atlantic Region
15 State Street
Boston, Massachusetts 02109

IN REPLY REFER TO:

April 7, 1986

D6215 (NAR-DA)

Honorable Sidney R. Yates
Chairman, Subcommittee on Interior
Committee on Appropriations
House of Representatives
Washington, D.C. 20515

Through: Director, National Park Service

Dear Mr. Yates:

During my appearance before the House Committee on Appropriations, Subcommittee on Interior during the week of March 10, 1986, I responded to various questions concerning the terms and scope of the agreement between the National Park Service and Eastman Kodak Company which will allow Kodak to temporarily display its "America's Family Album" exhibit at the Statue of Liberty.

I would like to bring to your attention an error in my statement to you concerning the length of time the exhibit will be in place. The tenure of the exhibit is not short term. Our commitment to Kodak was to locate the exhibit at the Statue of Liberty Museum until an appropriate location (i.e. within Corporate A Exhibit Area) at Ellis Island was available. We expect that this will happen by 1988. The Statue of Liberty-Ellis Island Foundation, Inc., is committed to the maintenance of the exhibit for a period of 30 years and the National Park Service has agreed to its display for this period of time.

I trust that this information will clarify the record and correct the impression you may have received that Kodak's " America's Family Album" is a short term exhibit.

Sincerely,

Herbert S. Cables, Jr.
Regional Director

Mr. CABLES. My rationale for it was that all Americans could submit photos to Kodak that a large percentage—

Mr. YATES. You mean their film for processing, that Kodak will do it for nothing?

Mr. CABLES. They would submit family photographs and they will be shown in this exhibit by Kodak. It is my feeling that a number of people will be visiting the Statue in the next months or so, and there is something nice about the ability to view your family pictures alongside American families.

Mr. YATES. Do any other film companies want the same privilege?

Mr. CABLES. None to my knowledge.

Mr. YATES. No protests?

Mr. CABLES. None.

Mr. YATES. Mr. Whitten?

The CHAIRMAN. Mr. Chairman, is this convenient?

Mr. YATES. Mr. Chairman, when you come in, it is always convenient. [Laughter.]

The CHAIRMAN. You will see why I can never say no.

Mr. YATES. You can see why I never say no. [Laughter.]

The CHAIRMAN. I ask that this testimony be put in the appropriate place in the record.

Mr. YATES. All right, Mr. Chairman.

NATCHEZ TRACE NATIONAL PARKWAY

The CHAIRMAN. As you know, for a long time we have been very much interested in the Natchez Trace National Parkway. We have reached the point now where I would like to know whether we have all the right-of-way. My understanding is we do, from Nashville on down to Natchez.

This is a big tourist attraction now. If we can ever get the link on to Nashville, Tennessee, we will add to a major project because from the northeast of the United States to New Orleans, this would be the way to go. We have it from my district in Mississippi down close to Jackson.

I have been on the Appropriations Committee since 1943. I can tell you a whole lot of things that I think can be improved, and we try to do the best we can. With 435 members of the House and 100 Senators, we have trouble doing it.

One thing we should do is recognize the difference between investment and other spending. We finally got our Committee to handle the Jobs Bill. When the President signed it and we got it through, nobody complimented us, but everybody claimed it after we had made the plan where you spent your money you had something to show for it.

We used in addressing the Jobs Bill, we used the applications that had gone before Congress that had not been funded. We used that as illustrations of what to do. It took projects that already had matured except for funding, and from that we started looking at our country develop.

All of the savings and reducing that we do in domestic programs, not a dime of it is going toward reducing the deficit or the debt. It is going to increase the carryover of military spending. Last year they had $244 billion in carryover for military. This year's budget, where we cut all the domestic programs, and limit you in your original testimony unless we ask you—they want to raise that to $299 billion. That is not commonly known. Our committees report it each year.

The reason I mention that here is we have a link missing in a highway that would go from New York to New Orleans. We should get on with it, so we can reap the full benefits of this project.

My information is you requested $8 million to at least build something and you have been limited to $3 million. I would like to know just what the story is and what we can do to get you to go ahead to get this project going.

They have been kind enough on this subcommittee to make arrangements to go ahead and we have had the cooperation of the Park Service. It is unwise in my judgment to keep cutting out these essential national projects or delay the completion so as to add to the open accounts of inactivity. I supported defense longer than anybody in Congress. I believe in it equally as well. It is time we looked after our own country. Our defense is dependent on a sound economy and public support.

I would just like to ask what you can do, what we can do to get back to the $8 million you originally asked for.

Mr. **Galvin**. Mr. Chairman, originally in 1986, $8.8 million of the Federal Land Highway Program was allocated to the Natchez Trace National Parkway for section 1-B. We will spend $8.8 million on the Natchez Trace in fiscal year 1986. However, two other segments, 1-C-2 and 1-C-3, respectively, for $1.8 million and $3.8 million, will require some of that $8.8 million, leaving a balance of $3.2 million on section 1-B.

While we propose to spend all the money that is available on the Natchez Trace, not all of it will be spent on section 1-B, because of cost overruns on sections 1-C-2 and 1-C-3.

The **Chairman**. Would you describe to me where these sections are? I don't have a map in front of me.

Mr. **Galvin**. I will ask Bob Baker to help me out on this.

The **Chairman**. That's why you brought him in here.

Mr. **Baker**. Mr. Chairman, the section 1-C is at the northern end. We have five sections to complete. We are close to finishing this 470-mile parkway. Section 1-C is up near Lawrenceburg.

The **Chairman**. In Tennessee?

Mr. **Baker**. Yes, sir. Section 1-C is right adjacent to that.

The **Chairman**. In other words, you are getting some spread.

Mr. **Baker**. Yes, sir.

The **Chairman**. Tennessee is where we have been delayed.

Mr. **Baker**. That's correct. The overruns were really the results of running into some fairly rough terrain where we had to add some structures and bridges, where they had not anticipated it when they estimated the costs.

The **Chairman**. You are going to make some progress any way.

Mr. **Baker**. Absolutely.

The **Chairman**. I hope you will. Again, I want to emphasize that any time you delay a link like this, you delay the full use of the full project. I appreciate the cooperation I have had from my friends on the subcommittee and from the Park Service in trying to work toward its completion.

PARKWAY FALLS

Mr. DICKS. Mr. Chairman, would you yield for a second? A minute ago we were talking about a road out in Washington State——

[Laughter.]

Mr. DICKS. They were going to have a toll on this road. I want to know if there is going to be a toll on the Chairman's road.

The CHAIRMAN. Let's get the road and then we will talk about it. [Laughter.]

Mr. DICKS. Ten dollars a car.

The CHAIRMAN. I shouldn't bring this up at this time. I know a lawyer down in Louisiana and it was in the paper where he got all this money to build the roads there and how ridiculous it was. He said, we are just going to go enjoy the road. It is time we got these things finished so we can enjoy them. It is a mistake not to look after our country.

Mr. YATES. Did you have something you wanted to say?

Mr. GALVIN. I am informed there is a law against charging fees on the Blue Ridge Parkway, the Natchez Trace Parkway, John D. Rockefeller, Jr. Memorial Parkway and George Washington Memorial Parkway: 16 USC 460l.

Mr. YATES. I was just going to say that probably Mr. Dicks should probably amend that law to include—what is the name of it?

Mr. DICKS. The Chinook Pass Road. [Laughter.]

Mr. YATES. I think that is the only way you will be able to do it. Mr. Chairman, did you complete your question?

The CHAIRMAN. Yes; I thank the indulgence of the subcommittee.

SANDY HOOK BUILDING DESTROYED BY FIRE

Mr. YATES. Congressman Howard of New Jersey has asked us to find out about Sandy Hook. He says in September of last year, there was a tragic fire that destroyed one of the National Park Service buildings that was leased to NOAA.

Is that building going to be replaced?

Mr. CABLES. No, sir.

Mr. YATES. Why not, Mr. Cables?

Mr. CABLES. First of all, that building was leased to NOAA.

Mr. YATES. What about getting rid of the rubble there?

Mr. CABLES. We have requested of the Washington office some $200,000 to clean up all the rubble there.

Mr. YATES. Another question is whether they listened to your request. Mr. Cables, thank you very much.

CAPE COD NATIONAL SEASHORE

Mr. Cables, what about dune buggies? Is there any problem in connection with dune buggies at Cape Cod? Have you had any problems at Cape Cod, other than failure to extend the Commission?

Mr. CABLES. There is a problem there. In 1981, and in June of 1984, the U.S. District Court found the agency's action in adopting the off-road vehicle regulations supportable. What they did was remand that to us, the question of appropriateness of ORV use as it impacted on recreational users. What we did in the summer of 1984 was have our Cooperative Study Unit at New York University study that question. We amended the ORV regulations and promulgated them this past fall. We are now waiting a decision from the Judge which we are told could come as early as April 15th on the issue as to the support of our regulations.

Mr. HORN. Mr. Chairman, if I may add, pursuant to a series of requests, one from Senators and local Congressmen in that area, a number of local interests and sportsmen organizations asking that the regulations that were promulgated last summer be reconsidered, and based on those requests, the regulations still stand.

We have initiated through my office a reconsideration per that request. We have asked some of the experts from the Geological Survey and from the Fish and Wildlife Service who understand the impact of this type of ORV use on beaches and wildlife to look at that and report back to me later this year as to the procedures the Service employed and whether or not these regulations are appropriate regulations under the circumstances. That reconsideration process is presently underway. I am waiting for the report from this group of internal departmental reviewers.

Mr. YATES. Did you want to ask a question of Mr. Briggle?

Mr. DICKS. Yes; I would like to, if I could.

Mr. YATES. Mr. Briggle, Mr. Dicks wants to ask you a question.

CURTAILMENTS AND DEFICIENCIES IN PARKS IN STATE OF WASHINGTON

Mr. DICKS. We appreciate the fine job Mr. Briggle does for us out in the State of Washington. We appreciate all his help. I just have a couple of questions here I would like to ask you.

Will you be required to close or curtail services at any parks in Washington State if your budget request is approved as submitted?

Mr. BRIGGLE. It is not my intention to close anything, Mr. Dicks. Certainly there will be some curtailment in various services. Those are ones that we gave a good hard look at and decided that there are some hour changes and some reassignment of personnel, but we would hope very much that we could continue with the service.

Mr. DICKS. Are all of the parks in Washington State currently receiving adequate maintenance?

Mr. BRIGGLE. No, sir. They are not.

Mr. DICKS. Where are the major problems?

Mr. BRIGGLE. I think the major problems, as far as the parks are concerned, happen to be in some of the smaller areas. I think, historically, we have had trouble with maintenance in our smaller parks.

Mr. DICKS. Which ones?

Mr. BRIGGLE. San Juan Island National Historical Park; we have some problems there. We have some problems in our maintenance in Walla Walla. There are some problems in Craters of the Moon National Monument in Idaho. It covers the board.

Mr. DICKS. Can you characterize what kind of problems we are talking about?

Mr. BRIGGLE. We are talking about buildings that need a more continuous maintenance schedule on them than we are able to do at the present time. We are talking about the interior of some of the buildings that don't get some of the attention they should be getting on a more cyclic basis.

Mr. DICKS. I would appreciate it if you could put in the record a breakdown of what you see as some of the deficiencies and the cost to correct those deficiencies.

Mr. BRIGGLE. Yes, sir.

[The information follows:]

FISCAL YEAR 1987 PARK MAINTENANCE DEFICIENCIES

Listed below are the highest priority maintenance needs of the Pacific Northwest Region. Holding gains made under the Park Restoration and Improvement Program (PRIP) is a high priority, and roads, trails and structures must be brought to and maintained at acceptable standards.

Area	Amount	FTE	
Crater Lake NP	$65,000	--	Maintain buildings rehabilitated under PRIP.
Craters of the Moon NM	6,000	--	Fund increased cost of snow plowing.
John Day Fossil Beds NM	20,000	--	Maintain roads rehabilitated under PRIP.
Klondike Gold Rush NHP(SU)	10,000	--	Increased space rental payments to GSA for weekend operations.
Mount Rainier NP	389,000	9.6	Assume maintenance of State Routes 123 and 410 within park discontinued by State of Washington.
North Cascades NP	60,000	--	Maintain roads, trails and structures rehabilitated under PRIP.
Olympic NP	160,000	--	Maintain roads, trails and structures rehabilitated under PRIP, and prevent deterioration of others.
San Juan Island NHP	30,000	--	Increased costs of maintaining historic structures at American English Camps.
Total	740,000	9.6	

In addition, the Region is facing a deficiency of approximately $500,000 for cyclic maintenance projects. The Regional Cyclic Maintenance Program is of special value to small and medium areas with limited budgets.

Mr. DICKS. Do you have any health or safety problems in these parks that would not be addressed with the budget request before us?

Mr. BRIGGLE. We have looked at that very carefully, Mr. Dicks. I feel confident that we are in good shape as far as public health and safety is concerned. We certainly will always have some safety problems as far as Mount Rainier National Park is concerned and Olympic National Park because, as you know, the highway along Lake Crescent is a dangerous road from the standpoint of the heavy volume of traffic on it.

Mr. DICKS. Didn't we spend some money to improve that a few years ago?

Mr. BRIGGLE. We spent a lot of money on that road and it is certainly a lot safer than it has been in the past. My safety concerns really come with the kind of traffic that goes up and down that road, primarily the 16 wheelers, their penchant to chase the folks down the road.

Mr. DICKS. You consider that the major safety question?

Mr. BRIGGLE. I think that is a problem for us, yes.

YOUTH CONSERVATION CORPS PROGRAM

Mr. DICKS. Do you have any YCC programs in Washington State parks?

Mr. BRIGGLE. We will have a YCC program in Washington State national parks this year.

Mr. DICKS. Have you been satisfied with them in the past?

Mr. BRIGGLE. I think that is an extremely valuable program, quite frankly. It is one that certainly gives great opportunity for the young people to get out in the parks. It has been extremely helpful to our maintenance people and our resource management people.

Mr. DICKS. You believe, based on your personal and professional judgment, they are cost effective?

Mr. BRIGGLE. From everything I have seen, they seem to be cost effective.

Mr. DICKS. You gave a very good answer.

FEDERAL LAND ACQUISITION

Does the Park Service have any acquisition priorities in Washington State?

Mr. BRIGGLE. We have some acquisition concerns and priorities over in Olympic National Park, as you probably know.

Mr. DICKS. Can you describe those? Those are mainly inholders?

Mr. BRIGGLE. Inholdings on that far side of the lake.

Mr. DICKS. Secretary Hodel, in his list in Washington State, mentioned the North Cascades National Park, Ebey's Landing National Historic Reserve, and Lake Chelan National Recreation Area. Could you put a little description in the record on that?

Mr. BRIGGLE. As far as land acquisition?

Mr. DICKS. Yes.

Mr. BRIGGLE. Yes, sir. No problem.

Mr. DICKS. If you could put that in the record.

[Information to be furnished follows:]

STATE OF WASHINGTON LAND ACQUISITION

Funds totalling $1.5 million were included on the list for North Cascades National Park and Lake Chelan National Recreation Area. These funds would permit the acquisition of seven North Cascades tracts threatened by mining and logging; the last privately owned tracts remaining to be acquired in the park. In addition, the largest privately owned tract (155 acres) at Lake Chelan would be acquired and the acquisition of additional scenic easements at the recreation area could commence. Funds for these purposes in the amount of $951,000 were appropriated for fiscal 1986, but have since been proposed for rescission.

Secretary Hodel's list also included $79,000 for Ebey's Landing National Historical Reserve. These funds would be used to acquire scenic easements over 10 tracts totalling 26 acres in the Crockett Lake area in the southern portion of the reserve. Acquisition of these tracts is necessary to prevent development in the area.

Mr. DICKS. Now, going back to this inholding thing, how are we doing on that, in your judgment?

Mr. BRIGGLE. I think we have been really doing quite a fine job. The superintendent of the national park has worked quite well in that program. We have had a good assist from our land acquisition office, and I think that the ready seller and buyer situation is working as well as we might expect it to work.

DEVELOPMENT THREATS

Mr. DICKS. Are any of these properties that you are interested in threatened by development?

Mr. BRIGGLE. There is development on those properties at Lake Crescent, as you know, so we are all right on that. The mining interests up in the North Cascades, there are some of these nuisance situations that we have always had, the possibility of having it developed, but I think it is remote.

AVAILABLE PROPERTIES

Mr. DICKS. For the record, would you let us know if there are any of these properties which are available from willing sellers and what the cost estimates might be?

Mr. BRIGGLE. We will put it in the record, sir.

[The information follows:]

OLYMPIC NATIONAL PARK

The owners of 10 high priority tracts in the Lake Crescent area of the park have indicated a desire to have their land appraised and acquired by the United States. It is estimated that the total cost to acquire these tracts will be $1.1 million. In the Quinault River Valley area of the park, the owners of seven tracts estimated to cost $600,000 have indicated a desire to sell to the United States. In addition, numerous owners of low priority tracts in the Elwha, Lake Quinault, and Oil City areas of the park have indicated a willingness to sell. No cost estimates are presently available for these low priority tracts.

MOUNT RAINIER NATIONAL PARK

Mr. DICKS. Was there a plan to increase or widen the road from Longmeyer to Paradise in Mount Rainier?

Mr. BRIGGLE. Right. There is a plan to work on that road actually to Paradise, and that happens to be in this year's planning effort and later on in later construction.

Mr. DICKS. Are you worried about the traffic situation at Mount Rainier, increased traffic?

Mr. BRIGGLE. The volume of traffic, Mr. Dicks, has been dropping since I was superintendent of that park several years ago. We are down to about 1,192,000, from a high close to 2 million. The exact reason for that I am not sure.

Mr. DICKS. Do you think $10 a car will help in that respect?

Mr. BRIGGLE. Well, sir, I would say that $10 a car has been pretty heavily discussed here.

Mr. DICKS. It is not going to increase traffic, is it?

Mr. BRIGGLE. Well, you know, I guess——

Mr. DICKS. Mercedes and Rolls Royces, maybe.

Mr. BRIGGLE. I couldn't answer you on that. I just don't know. I think that perhaps in the first year or so you might see a decrease in traffic. I think the records have shown elsewhere that after that first or second year, the public tends to come back to it. A lot of this, I think, is going to be the value of how they find these parks. When they get into the park, if they see the National Park Service is maintaining a high standard, they are very pleased with their visits; they are met by courteous people, so they might dig in their pocket and come up with that $10.

DECLINING TRAFFIC VOLUME

Mr. DICKS. Do you think that one reason the the volume of traffic has declined is because they are not finding what you have just outlined? Because of the deterioration?

Mr. BRIGGLE. I don't think that is the case. I hope not because I would have been heavily responsible for that deterioration during the time I was there, so I would have to answer no.

Mr. DICKS. I assumed you would.

[Laughter.]

So what is the reason? Why do you think the traffic volume is down?

Mr. BRIGGLE. As you recall, we had, a number of years ago, the gas crunch. Gas was in a bad situation, and then the price went sky high, and because of the vagaries of people, it's hard to say why they left the park. I don't think it was for any reason of deteriorating facilities. It is just one of the things I think happened. There was a decrease across-the-board, too. There was an overall decrease throughout the Pacific Northwest Region. It is not just Mount Rainier National Park. And the weather makes a lot of difference. If you can look up and see the mountain, people are going to get out and move, and we have had some bad weather. We have had some abnormal weather.

Mr. DICKS. But you certainly couldn't tell us here today that when we increase the fee to $10, it is going to generate more traffic, can you?

Mr. BRIGGLE. No, sir, I couldn't.

Mr. DICKS. Thank you, Mr. Chairman.

NATIONAL CAPITAL REGION

Mr. YATES. Mr. Fish, how are things in the Capital Region?

POTOMAC RIVER FLOODING

Mr. Fish. We had a devastating flood this year, Mr. Chairman, on the Potomac River.

Mr. Yates. Did you? Where was this?

Mr. Fish. It came out of the South Branch of the Potomac River and then came down the Potomac River, of course, into the city of Washington, and caused probably $9 million worth of damage along the C&O Canal. We had estimated about $2 million at the Harpers Ferry National Historical Park. It was devastating.

But one thing that I would mention is the fact that since we have been getting money over the years to repair the locks and aqueducts, it has helped, so I think that was very significant that that happened. And then the quick reaction of the park staff at Harpers Ferry, which is noted for its floods, in moving equipment and artifacts up to higher ground before the flood actually hit, I think, saved us a lot of money and eventually reduced the cost for repair and cleanup at Harpers Ferry.

LAND EXCHANGE OPPORTUNITIES

The other thing I might mention, Mr. Chairman, I think we have a, perhaps once-in-a-lifetime, opportunity to acquire a stretch of land through exchange along the C&O Canal in Georgetown and in the Palisades of the city of Washington up around Chain Bridge. This is caused by the proposed abandonment by the Chessie System of the 3.5 mile railroad spur there. It amounts to about 100 acres. The railroad runs right alongside the tow path and then it crosses over Canal Road and on up by Chain Bridge.

We have had discussions, Assistant Secretary Horn, Secretary Hodel, and the President of Chessie System. They seem most amenable to a land exchange for that property, so it is a once-in-a-lifetime opportunity.

Mr. Yates. They want $15 million from you?

Mr. Fish. Their estimate is $12 million to $15 million. Our estimate is a little lower. We are working with the Chessie System right now to get an appraisal of that property, so that is underway.

WOLF TRAP FARM PARK REPAIRS

Mr. Yates. What is the condition of the stand at Wolf Trap?

Mr. Fish. The Filene Center itself, Mr. Chairman?

Mr. Yates. Yes.

Mr. Fish. As you know, we were open last summer. We did what might be called the summer repairs, and workers are in there now completing the repairs.

Mr. Yates. Does that require a new roof?

Mr. Fish. No, sir, it doesn't. What they are doing is putting high tensile steel rods in those major girders and what they call post-tensioning those major girders. That work is well underway and should be finished by the 1st of May.

Mr. Yates. Who is paying for that?

Mr. Fish. That is the Foundation.

Mr. Yates. Is the contractor paying for that at all?

Mr. FISH. The Foundation has sued the contractor and has sued also the designer, so that litigation will be ongoing for a while.

JOHN F. KENNEDY CENTER FOR THE PERFORMING ARTS

Mr. YATES. We have a letter from a patron at the Kennedy Center who complained that on January 26, the men's room on parking level B was in a disgraceful condition, paper towels, wet floor, broken toilet seat. He says this is an ongoing condition. Do you know anything about that?

Mr. FISH. I did get a copy of that letter, Mr. Chairman, and subsequent to that I have met with Roger Stevens and his staff at the Kennedy Center and we have a group over there looking at that contract right now and seeing where we are as regards to the maintenance contract, which is probably one of the largest minority contracts in the National Park Service, about $100,000, and basically they do a very good job. I don't know whether this was just an anomaly or what.

Mr. YATES. Who is the contractor?

Mr. FISH. Mr. Chairman, I think the name is Apollo.

Mr. YATES. Apollo?

Mr. FISH. Yes, sir, I think so.

Mr. YATES. How often do you inspect Mr. Apollo's work?

Mr. FISH. That is daily by the staff at the Kennedy Center.

Mr. YATES. It is?

Mr. FISH. Yes, sir.

Mr. YATES. And no reports of any deficiency?

Mr. FISH. Certainly there are times when a house is dark and some of the comfort facilities adjacent to the house, the particular house that is dark, doesn't get the attention it should, perhaps.

Mr. YATES. What is the condition of the exterior Kennedy Center? Do we have to worry about any repairs there?

Mr. FISH. No, sir, we don't think so.

Mr. YATES. We are in good shape?

Mr. FISH. We worked on those vertical surfaces, and as you know, we worked on the horizontal services some years ago.

U.S. PARK POLICE

Mr. YATES. What about the Park Police operations? Do you have enough police to take care of your responsibility?

Mr. FISH. Mr. Chairman, we talked last year about trying to get to the 580 sworn officer level, and right now we are at 537. I talked to you last year about the rookie class, trying to get two rookie classes. It would appear that we will not be able to get two rookie classes. We will not be able to get one rookie class this year.

Mr. YATES. Because of money?

Mr. FISH. Yes, sir. A good part of that problem is that the salaries of the rookies of last year were not annualized in this year's budget, and so that put us in a——

Mr. YATES. What happened to the money we put into the bill for your rookie classes?

Mr. FISH. You put in $200,000, Mr. Chairman, which would indicate that if we brought one on in the latter part of August, that that would be enough to get us through this year, which it basically would. Again, the problem is, though, as was mentioned earlier, with the 2 percent congressional cut last year, with the 0.6 percent cut this year, with the various assessments for administrative cuts, YCC, we just didn't have the dollars to go with either class, Mr. Chairman. 'And as I said, the annualization amounts to about $550,000 right there. Each class is about 24 in number.

Mr. YATES. What would have happened if we hadn't put the money in for the rookie classes? Where would you have gotten—

Mr. FISH. We would have been $200,000 more in the hole, Mr. Chairman.

Mr. YATES. You are 50 short of your 580. What does that do to you? Does that cripple you?

Mr. FISH. It hurts, Mr. Chairman. We are not able to cover the beats that we would normally cover. It certainly is a problem. We had made the study last year for a five-year plan as to what we thought was necessary, and after that study, we came up with a figure of 580, and as I said, we are not there yet and it obviously has an effect on us.

DRUG TRAFFICKING IN THE REGION

Mr. YATES. Is there a growing problem with drugs in the area?

Mr. FISH. Yes, sir, there is.

Mr. YATES. That you have to worry about?

Mr. FISH. Oh, yes, sir. A number of jurisdictions, local jurisdictions, are concentrating on the drug problem, and as a result of their concentration, we find that if we are not diligent in paying attention to that problem, that that drug traffic moves into the parks, so we have to respond to that.

Mr. YATES. Have you been able to respond?

Mr. FISH. We have, Mr. Chairman. We have a special drug task force right now consisting of nine officers in an undercover type of operation.

HAINS POINT GOLF COURSE

Mr. YATES. What is the status of the Hains Point Golf Course?

Mr. FISH. Mr. Chairman.

Mr. YATES. Have you played it recently?

Mr. FISH. No, sir, but it is there and available, and if I may, Mr. Chairman, I will show you a picture of how it came out.

Mr. YATES. How did it come out?

Mr. FISH. I think pretty good, Mr. Chairman. It is on this side, Mr. Chairman. It shows three or four of the holes. This was about four months ago, and then this is where it was a few weeks ago, and that grass will be greening up and it will be ready for play, Mr. Chairman.

Mr. YATES. Good. And what about your geriatric set? Are they satisfied?

Mr. FISH. I would think they would be delighted, Mr. Chairman.

Mr. YATES. Is there anything else you want to tell me?

BOY SCOUT PROGRAM

Mr. Mott. Mr. Chairman, I would like to have Jack tell you a little bit about the program that he has developed in connection with the Secretary's Pride in America on the C&O Canal with the Boy Scouts, which I think is an outstanding program that they have developed.

Mr. Fish. The superintendent there, Dick Stanton, deserves an awful lot of credit for that, Mr. Chairman. In response to all the work that needs to be done to clean up after the flood, he has instituted a Scouting program, Scouting Camporee, which will be held in June and July, and we expect anywhere from 10,000 to 15,000 Scouts to camp there, perhaps for a week or longer, work on the cleanup and then do Scouting activities, canoe on the river, hike and that type of thing, for the other half-days. It will be a half-day for cleanup, a half-day for Scouting activities.

It appears to be a great program. The Scouting community has really responded and we have a number of Scouts already lined up for that.

Mr. Yates. Good.

Mr. Regula.

GEORGE WASHINGTON MEMORIAL PARKWAY—THEODORE ROOSEVELT BRIDGE

Mr. Regula. Mr. Fish, the environmental impact statement on the expansion of the George Washington Memorial Parkway was due to be completed in December. What were the results and what are the current plans for the parkway expansion and is there any money in your budget proposal to implement the Park Service plan?

Mr. Fish. There is no money.

Our plan had a preferred alternative. And our preferred alternative was to lengthen some of the acceleration and deceleration lanes. So we would lengthen the acceleration lane from Spout Run onto the George Washington Parkway and lengthen out basically the deceleration lane going up to the Theodore Roosevelt Bridge.

We are probably going to complete that EIS and make a final decision in May. There was another factor involved in that study and that was where Congressman Wolf had introduced some legislation to study the Theodore Roosevelt Bridge and the addition of a lane on the Theodore Roosevelt Bridge. We are part of that study group, headed up by the Federal Highway Administration.

We have responded—just the other day, as a matter of fact—to one of their alternatives. We responded favorably to a widening—basically what they would do would be to perhaps cantilever some of the sidewalk out and reduce the width of the lanes to get an additional lane. That lane would be dedicated to parkway traffic.

We feel that that would be perhaps a good solution, tied to our preferred alternative.

Mr. Regula. What is the cost of your alternative?

Mr. Fish. Our alternative was around $16 million, Mr. Regula.

Mr. Regula. Do you think that the lane on the Roosevelt Bridge would eliminate the choke point?

Mr. **Fish**. It will not eliminate it. The basic problem with any choking, any traffic congestion, is the capacity of the bridge and the capacity of the District to absorb that traffic. I think that is the real problem.

Mr. **Regula**. I assume—and I do not use this so I am not familiar with it—but I assume the backup comes from the bridge down onto the parkway and back up Spout Run.

Mr. **Fish**. Very definitely and I think one of the concerns is there are two lanes. One lane gets backed up from the bridge, as you say, and the other—the inside lane generally goes through. There is about a third of the traffic that goes up to the Theodore Roosevelt Bridge.

What happens is there are lane jumpers and they are in the inside lane and they want to get to the Theodore Roosevelt Bridge lane so they hold up traffic while they are waiting for a gap in the traffic going up in the right lane.

But we have taken the time from the Beltway to 23rd and Constitution Avenue and the alternative—alternative B, our preferred alternative—looks very favorable in comparison with the one where more, $35 million worth of work, would have to be done. We have looked at it very carefully.

Mr. **Regula**. Thank you.

ELLIPSE PARKING LOT

Mr. **Yates**. What about the parking lot on the Ellipse. Why did you permit that to take place?

Mr. **Fish**. Well, it is just like any construction job, Mr. Chairman. It is a little more visible, I guess. There was some parking that had to be moved for the installation of a storm sewer down to E Street from Alexander Hamilton Place. And we hope to have that parking lot out by the end of April. It is a temporary parking lot, Mr. Chairman.

Mr. **Yates**. The end of April.

How much did it cost to put it in?

Mr. **Fish**. I do not have that figure.

Mr. **Yates**. Could you put it in the record?

Mr. **Fish**. Yes, sir.

[Information to be furnished follows:]

Ellipse Parking

The cost to install the temporary parking lot on the Ellipse was approximately $23,000.

Mr. **Yates**. Inasmuch as it is for such a short period, why did you not use commercial parking?

Mr. **Fish**. Well, there was about 50 or 60 cars, as I recall, Mr. Chairman. That was looked at——

Mr. **Yates**. Not for long, though.

Mr. **Fish**. Not too long.

Mr. **Yates**. That would have required the payment of some money by those parking cars?

Mr. **Fish**. Yes, sir. It would have.

Mr. **Yates**. Do they pay for parking here, now?

Mr. **Fish**. Not to my knowledge, no.

Mr. YATES. Does Mr. Mott not want to charge a fee for that? [Laughter.]

Mr. YATES. Do you not want to charge a fee for that?

Mr. MOTT. I think we should. [Laughter.]

Mr. YATES. Attaboy. Okay, start immediately. [Laughter.]

Mr. Coleman, how are things in the Mid-Atlantic Region?

MID-ATLANTIC REGION

Mr. COLEMAN. Well, sir, we are working diligently on the River Management Plan for the Upper Delaware, which is progressing slowly, but ever steadily.

We are gearing up for the major celebrations of the Bicentennial of the Constitution in Philadelphia.

We are pleased with the results of Congress' action and the work that we have done on Route 209.

We are concerned this year about gypsy moth infestations in the Shenandoah National Park. I am not sure there is a whole lot we can do about that.

Our biggest problems in the Mid-Atlantic Region are with historic preservation projects, and specifically the historic structure reports that are needed on a large number of buildings that we have, before we can take action on preservation methods or restoration projects. We need more information on many of those buildings. Some of this problem we are trying to alleviate through the Historic Leasing Program.

Some of our research needs we are trying to mitigate working through colleges and universities. We are trying to get graduate students interested in doing some of our research activities.

Along with that, we have some natural resource preservation situations. Basically, we do not have all of the baseline data that we should have on all of our parks.

SAFETY AND MAINTENANCE

Mr. YATES. What about questions of safety? Do you have any questions of not being able to finish projects or take care of projects because of lack of funds?

Mr. COLEMAN. Not from a safety standpoint.

Mr. YATES. Are you going to defer maintenance because of lack of funds?

Mr. COLEMAN. Some maintenance projects will be deferred because——

Mr. YATES. How badly will you be hurt by the cutbacks?

Mr. COLEMAN. I think that is going to be difficult to tell at this time. We are deferring some maintenance projects, and how serious they get—any time you defer maintenance projects that you should do at the present time, that causes more problems.

Mr. YATES. You have been deferring them for years, have you not?

Mr. COLEMAN. We have been deferring some, yes. We try to take care of the worst ones first.

Mr. YATES. The worst ones become worse, do they not?

Mr. COLEMAN. Unfortunately yes, sir.

Mr. **Yates**. Anything you should tell us that we have not asked you about?

STORAGE AND CATALOGING OF ARTIFACTS

Mr. **Coleman**. If I could tell you what some of my unmet needs are, we have problems with some of our collections, being able to store and catalogue all of them. We put them in priority with all our other needs.

Mr. **Yates**. What collections are you talking about?

Mr. **Coleman**. Collections of historic furniture and artifacts, like at Delaware Water Gap National Recreation Area for example, that do not have proper storage and are not catalogued correctly.

Mr. **Yates**. What happens as a result of not having proper storage?

Mr. **Coleman**. Some of——

Mr. **Yates**. Is it deteriorating?

Mr. **Coleman**. Some of those will deteriorate.

Mr. **Yates**. Really, the furniture?

Mr. **Coleman**. Some pieces of furniture will, yes, sir.

Mr. **Yates**. How historic are they? How valuable are they?

Mr. **Coleman**. They are certainly not as valuable as some of the pieces that we have in Independence Hall, but they have historic value.

Mr. **Yates**. Are they good looking pieces?

Mr. **Coleman**. Some are. Some are not. It is a matter of opinion, sir.

Mr. **Yates**. Yes, I suppose it is. I suppose if they are historic, that ought to be enough. But I wonder if some historic pieces are better looking than others.

Mr. **Coleman**. Some of those are——

Mr. **Yates**. I mean, other than people. [Laughter.]

Mr. **Coleman**. That is true. Some of those were acquired to furnish buildings that we are in the process of fixing up. The Slateford Farm Complex is in the program to get fixed up in the next couple of years and some of the furniture will go in there and that will be——

Mr. **Yates**. Do you not have any conversation with your colleagues? Can somebody store these pieces for you?

Mr. **Coleman**. We are storing them now, but they are not in ideal conditions.

Mr. **Yates**. Well, where do you store them? Do you store them in the open?

Mr. **Coleman**. No, we store them in buildings that do not have the ideal atmospheric conditions.

Mr. **Yates**. What is hurting them? Are they becoming mildewed or——

Mr. **Coleman**. Yes, the humidity—yes, sir.

Mr. **Yates**. Well, is Mr. Mott responsible for any deterioration that occurs?

Mr. **Coleman**. No, sir. I would not say Mr. Mott is responsible.

Mr. **Yates**. Suppose some of these people from the Historic Preservation Societies look at some of your pieces of furniture. Would they be able to sue Mr. Mott because he has not taken care of them?

Mr. **Coleman**. Anybody can file a suit.

Mr. **Yates**. Well, what happens? You have told the committee that these pieces are now deteriorating. What choice does the committee have now, except to tell you to take care of them? And how much money do you need to take care of them?

Mr. **Coleman**. I do not have a figure.

Mr. **Yates**. Do you want to give us a figure that would protect them against mildew and loss of character through deterioration.

Mr. **Coleman**. Yes, sir.

Mr. **Yates**. Is there any museum you can put them in? My goodness, there must be literally scores of museums in the Philadelphia region where you could keep these things, are there not?

Mr. **Coleman**. There are, and some of our collections are stored, some of our collectibles are stored at Temple University at the present time.

Mr. **Yates**. Could you show us pictures of those artifacts?

Mr. **Coleman**. Can I show you pictures? Yes, sir. We certainly can.

Mr. **Yates**. We want to just see what they are like so that before they totally deteriorate we can see what they look like. [Laughter.]

[The information follows:]

Mid-Atlantic Region Museum Collections Needs

[Summary]

Storage	$317,000
Preservation	751,000
Cataloging	75,000
Staffing annually on an indefinite basis	145,000
	1,288,000

Pictures will be provided to the committee.

SERVICEWIDE PRESERVATION OF ARTIFACTS

Mr. **Yates**. Mr. Rogers, do you know about this?

Mr. **Rogers**. Yes, sir, Mr. Chairman.

Mr. **Yates**. You do? Why have you been so quiet, then?

Mr. **Rogers**. I thought Mr. Coleman was handling this question extremely well.

The problem he describes is one that we are fully aware of on a servicewide scale. The National Park Service owns a collection of museum objects of natural, cultural, and historical value that rivals the Smithsonian in size. It is scattered throughout the National Park System, at each of the national park units. We have a broad-based program underway to get command of that problem. It is something that was not given a high priority several years ago. It is given a very high priority right now.

Mr. **Yates**. How important are those artifacts?

Mr. **Rogers**. That varies from artifact to artifact, but some of them are treated as treasures of the Nation, sir.

Mr. **Yates**. Really. Where are they?

Mr. **Rogers**. They are in every unit of the park system. If you own a historic building associated with some important historical person, the furnishing and appurtenances that go with that building are part of the value of the site, just as well as the building itself. And caring for those kinds of objects requires activities and skills and facilities beyond what it takes to——

Mr. YATES. Are you being cut back?

Mr. ROGERS. No, sir. As a matter of fact, if the appropriation came as described in the President's budget, we would have a modest increase in the Cultural Resources Preservation Fund with which we do attempt to——

Mr. YATES. If that is true, why are you not taking care of Mr. Coleman's artifacts?

Mr. ROGERS. We will take care of more of them in fiscal year 1987, assuming that all of the things that we have been talking about here earlier today take place in——

Mr. YATES. But what happens during 1986 to Mr. Coleman's artifacts?

Mr. ROGERS. Like a good many other artifacts in the National Park System, they will have to be dealt with as best as we can.

Mr. YATES. Yes, but your best is not any good if they are deteriorating.

Mr. ROGERS. Sir, some of them are deteriorating.

Mr. YATES. Well, why do you not stop the deterioration?

Mr. ROGERS. Because there is a limit to how much we can do.

Mr. YATES. Well, all right. Why do you not tell us about them? We do not want the artifacts to deteriorate, do we?

Mr. ROGERS. I certainly do not.

CATALOGING OF ARTIFACTS

Mr. YATES. Neither do we. Why do you not tell us about them? Why do you not give us a bill for them? Tell us what they are for. We take care of the Smithsonian's artifacts. They tell us about them. And you have the opinion that yours are as important as theirs.

Mr. ROGERS. Well, our collection rivals theirs in size and some individual objects are as important as theirs, that is certainly true.

Mr. Chairman, to go back to what I said a while ago, until fairly recently—that is, until 1980, the National Park Service did not give as high a priority to collections as it is now giving. And we can show a great deal of improvement in that area since 1980. But we have to say that we do not have an absolute count on the collection of the National Park System. We estimate it to be around 10 million objects.

Mr. YATES. How much are your 10 million objects worth?

Mr. ROGERS. An enormous amount—if you could put a market value on them, it would be an enormous amount of money. We do not know what that is, sir and we believe that the historical value, in a very real sense, exceeds market value.

Mr. YATES. Do you know, from year to year, whether you are missing some of those?

Mr. ROGERS. Until we have completed the cataloging of all those objects, we will not be able to tell you, with absolute certainty, whether we are missing——

Mr. YATES. How long will it take to complete the cataloging?

Mr. ROGERS. A long time.

Mr. YATES. Well, you are liable to wind up without some of your most precious objects, are you not?

Mr. ROGERS. I do not believe we are losing objects, Mr. Chairman. But I can simply tell you that I cannot prove it until they are catalogued.

Mr. YATES. Mr. Coleman, do you know how many objects you have under your care and custody?

Mr. COLEMAN. No, sir I do not, but they have not all been catalogued yet.

Mr. YATES. If these are valuable objects, then are we not being remiss in not cataloging and taking care of them? Are they valuable objects?

Mr. COLEMAN. Yes, sir. They all have a value.

Mr. YATES. Somebody ought to tell the committee how much money you need to get an inventory of these objects before they are spoiled. We put money in for the Smithsonian—I mean for inventory. And they have completed their inventory. They have 75 to 100 million objects that are now inventoried. How many objects do you have?

Mr. ROGERS. We have catalogued a little under one million. We estimate possession of 10 to 11 million.

Mr. YATES. Someone ought to do it. And if we have to do it, I guess you are going to need money to do it, are you not? Does anybody know how much money you will need for it?

Mr. ROGERS. I do not have a program for how much money——

Mr. YATES. How much do you have? How much money did you spend last year for cataloging?

Mr. ROGERS. I would have to collect that figure, sir. There are a series of projects going on as a part of the Cultural Resources Preservation Fund.

Mr. YATES. Does the budget man know?

Mr. SALISBURY. No. We can supply it for the record, I am sure. We do not have the materials here.

Mr. YATES. Okay.

[The information follows:]

NATIONAL PARK SERVICE MUSEUM COLLECTIONS MANAGEMENT

CATALOGING

The National Park Service has over 10 million objects, with a backlog of over 9 million to be cataloged. The variety of materials range from historic furnishings in the home of John Adams, to flags that flew over Fort Sumter, to Thomas Edison's notes on inventions, to the tools and furnishings of a working ranch in Montana, to botanical specimens from Yosemite National Park and archeological collections from Mesa Verde National Park. This estimated size does not include certain park archeological collections that have been held in universities and other centers for many years. Once we have addressed the accountability needs of collections in parks, we will seek to address these additional needs.

In 1984 the National Park Service issued revised and streamlined cataloging procedures and is currently computerizing them to increase cataloging efficiency and quality. The annual cataloging rate has increased from 25,000 records in 1980 to over 50,000 in 1985. The rate has increased, in part, because of lot cataloging (cataloging groups of like objects in a single record), which is used extensively in recording archeological collections.

According to reports submitted by the parks in 1984, of an estimated 10.5 million objects (excluding the aforementioned archeological collections), 0.9 million has been cataloged, leaving a balance of 9.6 million. Of that number, 9.4 million is estimated to be subject to a lot cataloging, resulting in a total of 2.8 million records to be completed. Average costs to prepare a catalog record vary from $3 to $7.82 a record, depending on the nature of the object or specimen. The total estimated cost to complete catalog records for the backlog of 9.6 million objects is $9.7 million. This figure does not include associated costs for such items as training, research for object documentation, reorganizing objects in storage, and computer program development, which are essential to the overall cataloging process.

For cataloging and related activities, allocations in fiscal year 1985 and fiscal year 1986 are listed below:

[In fiscal years]

	1985	1986
Cultural Resources Preservation Fund [1]	$375,300	$403,000
Cultural Cyclic Maintenance [1]	392,000	405,100

[1] These amounts are in addition to funds and staff time committed from park operating accounts. Amounts allocated to collections management cannot readily be determined from existing park operating account records.

Mr. YATES. How much was in this budget for it?

Mr. SALISBURY. In this budget? I am sure it is not separately identified.

Mr. ROGERS. It is a part of the $5.19 million in the Cultural Historic Preservation Fund.

Mr. YATES. What is your guess as to how much of that fund it is?

Mr. ROGERS. My guess would be that it is about 25 to 30 percent.

Mr. YATES. That is about $1.25 million.

Mr. ROGERS. Something on that order.

Mr. YATES. How much can you catalogue for $1.25 million?

Mr. ROGERS. Last year——

Mr. YATES. How many years will it take you to catalogue all your objects?

Mr. ROGERS. At the present rate, Mr. Chairman, it will take a longer time than it would be worth estimating. Perhaps 200 years.

Mr. YATES. Why don't you give the committee an estimate of how much it will cost to catalogue your objects, do we have a list? Obviously, you don't have a list of the objects, but you had better give us an estimate of what you have to do to take proper care of these objects, cataloging and caring for them.

Mr. ROGERS. If you will permit, sure, we could supply that for the record. I just don't happen to have that with me.

[The information follows:]

ESTIMATED REQUIREMENTS FOR PRESERVATION MANAGEMENT

CATALOGING

The total estimated cost to complete catalog records for the backlog of 9.6 million objects is $9.7 million. This figure does not include associated costs for such items as training, research for object documentation, reorganizing objects in storage, and computer program development, which are essential to the overall cataloging process.

In order to provide a park-specific basis to these broadly aggregated estimates, and a figure that includes the associated activities, the parks will be asked, this year, to individually estimate the total cost as well as the temporary amounts of staffing and funding that may be required to eliminate the backlog in a timely fashion. Servicewide target dates for elimination of the backlog will then be developed. From an accountability standpoint a desirable time period for completion of this work is 5 to 8 years.

COLLECTIONS PRESERVATION AND STORAGE

At present, we have no reliable information on the total amount required for preservation and storage. A recent report from the Office of Inspector General ("Audit of Museum Collection Management," E-FW-NPS-10-85) pointed out, in addition to the cataloging backlog, numerous deficiencies in museum storage and exhibit conditions, e.g., lack of adequate security and fire detection and suppression systems. A Special Directive (80-1) signed by the Director on February 12, 1986, requires parks to follow a carefully designed self-evaluation that will identify deficiencies in preservation and protection for museum collection, and program to correct the deficiencies. We expect this evaluation to be completed by September 1986. At that time, revised estimates of cataloging, preservation and storage requirements will be made available to the Committee.

Mr. YATES. That is fine. Thank you. Go ahead.

Mr. REGULA. Mr. Chairman, I have a couple of questions for Mr. Coleman on behalf of my colleague, Mr. McDade.

Mr. Coleman, speaking for Mr. McDade, I was distressed to learn that the review period for public comment on the Draft Upper Delaware River Management Plan had been extended for an additional 60 days. I understand that this action was taken because the Environmental Impact Study was not made public along with the draft management plan.

I further understand that the EIS is still being reviewed in the Washington office. What is the current status of the EIS?

Mr. COLEMAN. The EIS has been reviewed in that Washington office. We have the comments back. We have perhaps another couple of weeks of work to do before we get the EIS out to the public. We had initially thought that we had scheduled separate hearings on the EIS, but a number of the people, the local people in county governments and local governments, requested that they have the EIS available to them at the same time.

Mr. REGULA. Would you expect to release the EIS for public comment in what two weeks?

Mr. COLEMAN. No, sir, probably in mid-April.

Mr. REGULA. Mid-April, all right.

Could you give the committee a status report on Route 209?

Mr. COLEMAN. Yes, sir. In terms of the numbers of trucks, we have raised the fees now from five dollars to seven dollars for trucks and it goes down according to the size of the vehicle. We raised that fee last September. That has reduced the volume of traffic somewhat by about 17,000 people per year.

Mr. REGULA. Mr. McDade is especially interested in the safety record since you have taken over.

Mr. COLEMAN. Since we have taken over, we have not had one fatality. The number of accidents has also decreased.

Mr. REGULA. Lastly, are the revenues from the tolls sufficient to handle general maintenance on the road?

Mr. COLEMAN. No, sir, they are not. We had some additional money given to us by the committee last year to supplement that which takes care of the regular maintenance portion. The road is in rather poor condition and needs some major construction and the revenues are not sufficient to take care of that.

Mr. REGULA. Have you requested additional money in fiscal year 1987 for maintenance?

Mr. COLEMAN. Not for 1987. We have it on our construction program, long-range.

Mr. REGULA. But nothing specifically for Route 209 in the 1987 budget?

Mr. COLEMAN. No, sir.

Mr. REGULA. Thank you. Thank you, Mr. Chairman.

SOUTHEAST REGION

Mr. YATES. Mr. Baker, how are things in Atlanta?

Mr. BAKER. Very good, sir

Mr. YATES. Tell us, are you going to have enough money to take care of your region?

Mr. BAKER. I think so. We have made some tough cuts. We have had some vacancies. For example, at Gulf Island's National Seashore, the assistant superintendent was promoted to the superintendency in San Juan, Puerto Rico, and we are not going to fill that. The superintendent is going to carry that load for a while until economic times are better and we have deferred some maintenance. We are going to hold off a year or so on painting the buildings at Cumberland Island. We are going to hold off on purchasing some equipment, lawn mowers and tractors and maintenance of vehicles for a year or so.

But, I think, we have made the cuts in the place that will ensure the health and safety of the visitor to be protected and I think the service's interpretation, and visitor centers and campgrounds, for the most part, are going to be open and serving the public.

We are going to delay the opening of a couple of campgrounds, the one at Cape Hatteras, and the one at the Great Smoky Mountains for a couple of weeks. We have been opening at the end of March. We are going to hold off for a couple of weeks and, with the exception of maybe one weekend during the spring rights, I think that was a good choice. There may be some people that might not be able to get into the same campground that they always get into, but we will have camp sites available.

Mr. YATES. What about the Cumberland Gap Tunnel?

Mr. BAKER. That is moving along, I think, reasonably well. We have the drilling taking place and the construction of some of the access roads is taking place and I think it was indicated that in 1987 there will be sufficient carry-over money to continue the construction in the next fiscal year. It is a big project, but we are moving ahead.

Mr. YATES. Good. Is there anything else you should tell me?

Mr. BAKER. It is just that I want you to know that the other three of the Natchez Trace are very high priority in my book. [Laughter.]

Mr. YATES. I guess they are in Mr. Whitten's, too. Thank you very much.

Mr. GALVIN. I might mention, last year in testimony, the committee was very interested in securing an agreement with the states involved in the Cumberland Gap Tunnel to get them to commit to maintain those states and we do have a signed Memorandum of Understanding with those two states that commits them to the operation and maintenance of the Tunnel after it is constructed.

Mr. YATES. Good. Mr. Regula.

Mr. REGULA. Mr. Baker, what are your future plans as far as the King Center is concerned?

Mr. **Baker**. Of course, this year there is $190,000 available to Mrs. King and the Center for the increased traffic to that Center as a result of the national historic site and I think that is working well. We have finished the interpretive exhibits there in the Center which Mrs. King is very pleased with. Visitation is going up.

The City of Atlanta donated a major park right across the street from the Center which I think you saw, we just completed. I think we completed the day before your visit down there.

Mr. **Regula**. I noticed you painted the dirt green. [Laughter.]

Mr. **Baker**. Mr. Regula, that is a special mulch that was sprayed, but it did resemble the grass.

Mr. **Regula**. It makes it easy to mow. [Laughter.]

Are you planning ultimately to purchase some of the houses adjoining the King House and rehabilitating that for low-income housing?

Mr. **Baker**. Yes, sir. We are in the process of doing that. We have acquired a couple of houses. As a matter of fact, right across the street from the King Center, we are restoring two old shotgun houses that were there when Martin Luther King, Jr. was growing up. We are restoring those and, I think, when you were there one was completed and we were in the process of restoring the other.

Of course, the people, the original owners, if they would want to move back into that, we would accommodate them if they do want to move back in. We have provided space for them to live in at the same rate they were paying previously in an adjacent area. So, yes, sir, we are.

Ultimately, we have about 27 houses specifically to recreate that block. Most of those houses will be occupied by the people that lived there originally.

Mr. **Regula**. Chattahoochee, it would appear that you should be acquiring some land to prevent urban encroachment, would you agree?

Mr. **Baker**. Yes, sir, and I think we are. For the last year, we have, I believe, a three million dollar appropriation for land acquisition, and we have made some excellent purchases and have had two recent successes in terms of land exchanges, but we are talking about 48 miles of river and you saw it. It is probably one of the hottest real estate areas in the entire southeast, and it is going fast.

Mr. **Regula**. Have you explored any possibility of getting the city and/or the county and/or the state to do some of the land acquisition just as a protection for the future?

Mr. **Baker**. There has just been a recent proposal by the state legislature, there is a Metropolitan River Protection Act that assures that those areas right down on the river front, flood plains and certain things, are not developed.

Some of the counties have not abided by that and the state legislature is looking into it.

Mr. **Regula**. Is it a law or just a proposal?

Mr. **Baker**. No. The Metropolitan River Protection Act is a law, rather permissive. It suggests that local government not develop it. Well, as you saw that is not working as well as we all would like it to work, so there is a recent proposal by a local state legislator to put some teeth into that so that if there was any variance from that zoning that they would have to come back to the state legislature.

So there is an effort on the part of the state, and some of the counties are making commitments. They have donated some lands to the National Park Service and are protecting some of their own.

Mr. **Regula**. You are reasonably satisfied that there is not such an urgency that we need to put any sizeable sum in at the moment?

Mr. **Baker**. We have our high priority listed, and we have the money appropriated for land acquisition. We are negotiating with the owners right now. So I think we are moving in the right direction.

Mr. **Regula**. Thank you.

MIDWEST REGION

Mr. **Yates**. Mr. Odegaard, how are things in Omaha?

Mr. **Odegaard**. Cold.

Mr. **Yates**. Cold, yes, I would think they would be. Thank you for your study on Navy Pier. I just started to read the draft. It looks like a good study.

Mr. **Odegaard**. Thank you.

Mr. **Yates**. I thank you very much. Are you being hurt by Mr. Mott's tightening of the purse strings?

Mr. **Odegaard**. I don't know about Mr. Mott's tightening of the purse strings, but we can always use some more funds.

Mr. **Yates**. How well do you get along with Mr. Mott?

Mr. **Odegaard**. Very well, thank you.

Mr. **Yates**. You do, all right, then maybe he will listen to you. What should you tell me about what you won't be able to do as a result of the cutbacks other than deferred maintenance and the usual things that you have to worry about of that kind?

Mr. **Odegaard**. We won't be closing any campgrounds down. We won't be shutting any parks down. We will be opening some areas later in the year by as much as a month. This summer, we are reducing the hours.

Mr. **Yates**. Any cutbacks on safety patrols?

Mr. **Odegaard**. No.

Mr. **Yates**. None of that for any of the parks, all right. Thank you, Mr. Odegaard.

Mr. **Regula**. Mr. Chairman.

Mr. **Yates**. Mr. Regula.

Mr. **Regula**. Mr. Odegaard, we put money in last year for the restoration of McKinley's monument. What is the status of that?

Mr. **Odegaard**. The money we put in is now $428,000 and of course with Gramm-Rudman, it will be less. A preliminary discussion was held between the Park Service and the Historical Society and preliminary work has been prepared and an agreement is being drafted by the Historical Society and ourselves and the funds will be used to plan and accomplish the maintenance necessarily.

Mr. **Regula**. When would you anticipate that work would actually start?

Mr. **Odegaard**. As soon as we get the cooperative agreement, then we would put it out for contract sometime this year.

Mr. **Regula**. A question about the litigation between the City of Independence and the CBNRA and a developer concerning a landfill. It is my understanding that such a landfill would be contrary to park policy and yet the park service has not been involved in the litigation. It has been carried by the City of Independence.

Mr. **Odegaard**. Yes, sir, that is correct.

Mr. **Regula**. How would you explain that?

Mr. **Odegaard**. It has to do with the federal law. We have been advised that, in this particular case, it would be better for the City of Independence to do this particular thing on their own, which we are delighted with. Our approach on this comes from a different avenue, and therefore, we are not joining the city, but support their actions.

Mr. **Regula**. Thank you. There is a prohibition in the law, that is federal law, against having a landfill inside a park. What happens if the City of Independence fails in their suit?

Mr. **Odegaard**. This again on the advice of the Solicitor, then we will move in.

Mr. **Regula**. All right. In the event of a failure, you would then move to enforce the federal law.

Mr. **Odegaard**. Yes, that is my understanding from the Solicitor.

Mr. **Regula**. As I understand, the EPA has issued a permit to the operators.

Mr. **Odegaard**. The Ohio EPA, that is my understanding, also.

Mr. **Regula**. Would you be able to forestall that in the event that the City gets an unfavorable result?

Mr. **Odegaard**. If it meets your pleasure because it is in litigation, may I supply you this information?

Mr. **Regula**. Yes. Sure.

Mr. **Odegaard**. Thank you.

Mr. **Regula**. All right. I will submit the additional questions on this for the record, Mr. Chairman.

Mr. **Yates**. All right. All your installations took a cut, Mr. Odegaard, right?

Mr. **Odegaard**. That is correct.

Mr. **Yates**. Did your Regional Office take a cut, too?

Mr. **Odegaard**. Yes, sir.

Mr. **Yates**. The same percentage?

Mr. **Odegaard**. Yes sir.

SOUTHWEST REGION BUDGET CONTRAINTS

Mr. **Yates**. All right. Mr. Keer, Southwest Region, Santa Fe. That is a pretty place to live, isn't it?

Mr. **Kerr**. It is a nice place, yes.

Mr. **Yates**. Are you going to be hurt by the cutbacks?

Mr. **Kerr**. I have recommended to the Director that we reprogram $122,000 out of equipment replacement funds and employee incidental expense funds to continue services for the visitor and health and safety programs so we could approximate our services of last year. We will have to change some visitor center hours and things like that, but for the most part I think the visitor this year will have a good experience in our parks.

Mr. **Yates**. Anything I should know about your parks? What do you need money for that you are not getting?

Mr. **Kerr**. A year ago you asked me a question about our inspector general audit of some of our financial operations in the Southwest Region, and the response to that was that we had corrected those deficiencies that may have been mentioned. This year our finance administrative functions took what amounted to a 14.9 percent reduction, which includes a 10 percent administrative cut plus the 4.6 percent cut put on as the Gramm-Rudman reduction.

I guess I have a concern that the requirements that are laid on us by a variety of regulations and laws are being extended to the point where it becomes a problem to carry out the functions that are prescribed by the inspector general program and a variety of laws. I don't know how much longer I can satisfy those requirements, and I think I speak for the rest of the the Regional Directors here when I make that statement. I think we are all in the same boat as far as administrative functions are concerned.

Mr. YATES. The administrative work.

Mr. KERR. Yes, sir. It is a problem. As my finance officer said, we don't get fewer audits, we just spend less time looking at them. So there are going to be mistakes made.

Mr. YATES. What is happening to the whooping crane? Are you protecting it in New Mexico?

Mr. KERR. That is the Fish and Wildlife Service.

Mr. YATES. You don't have anything to do with that?

Mr. KERR. No, sir.

Mr. YATES. That's a break, isn't it. [Laughter.]

Okay. You have no problems you want to tell me about? I will be very glad to give a sympathetic shoulder.

Mr. KERR. I can tell that.

Mr. YATES. You don't need any money.

Mr. KERR. Well, I think as everybody else has testified, if the fee proposal goes through, I think we will be all right. If not, I think we will be hurting.

Mr. YATES. All right. Thank you.

WESTERN REGION

Mr. Chapman, you have a big Region. Do you have enough money to handle your Region?

Mr. CHAPMAN. Yes, sir. Let me put it this way. In terms of the things that have happened to date, certainly on a positive side, at the Grand Canyon National Park, the water project that we started several years ago is well under way. They have been able to complete the drilling of a water line from the South Rim down to Indian Gardens, which will give us a much more protected water supply to the South Rim than we have ever had before. And with the project that is in the present budget to increase the storage capacity for water on the South Rim, we should be in a much better position from a fire safety standpoint.

So in that sense, safety to the visitor and meeting public health requirements from a water standpoint of the South Rim, there has been a tremendous improvement. At the same time, in Yosemite National Park, we are well under way with a sewage treatment plant there that really was in the design stage going back almost 12 years, and that is approaching completion, along with an electrical system that is being repaired in the valley, which has been a safety hazard in the past.

So that in these three instances, two in Yosemite and one in Grand Canyon, there have been appreciable improvements made both to public health as well as from a safety standpoint.

USS "ARIZONA" MEMORIAL

I am also pleased that just a few weeks ago I met with Admiral Lyons of the United States Navy, the commanding officer for the Pacific area forces, to get a seven-day operation at the USS Arizona Memorial. Since the National Park Service took over operation of that facility in 1980, we have been able to operate that only on a six-day a week operation, largely due to the inability of the Navy to provide boat transportation out to the memorial on the seventh day.

We did increase our activity to a seven-day-a-week operation in the theater this past fall by working within our own funds, and in the meeting with the United States Navy and Admiral Lyons, he has agreed to work with the Navy to provide personnel necessary to provide that seventh day operation. That means that 2,000 people a day on a Monday that arrive at the USS Arizona will now be given the opportunity to visit the memorial, which they had not in the past.

Probably of all the areas in the Region, area to area, person to person, it probably is one of the heaviest impacted units that we have. With 1,300,000 people there last year, this increase of days will amount to somewhere in the neighborhood of 250,000 more people that will be able to visit the memorial from now on.

BURRO REDUCTION AT DEATH VALLEY NATIONAL MONUMENT

I have to say also that from a resource standpoint, we have been attempting to bring back the ecology of Death Valley National Monument, and we have completed a trapping of 5,650 burros. We did not have to shoot any of those burros. We were able to put those burros up for adoption, and people throughout the United States have adopted burros from Death Valley.

Mr. YATES. All of them?

Mr. CHAPMAN. We still have approximately 200 to 250 burros yet in Death Valley, but that shows that we are going to be able to accomplish our mission probably within the next few years, though we will probably never get to the point that we have eliminated the last burro.

Mr. REGULA. Will the chairman yield?

Mr. YATES. I will in just a moment.

What about wild horses? Do you have that problem?

Mr. CHAPMAN. There are a few wild horses that have been rounded up in Death Valley, but a very small number. Out of that 5,650, probably less than 200 of them were wild horses.

Mr. YATES. Mr. Regula.

Mr. REGULA. I was curious. What particular breed are the burros, or are they a mixture? Are they gray or a cross or are they brown or——

Mr. CHAPMAN. They are everything. [Laughter.]

When the miners brought them in, they weren't choosy about them. [Laughter.]

Mr. **Regula**. What does it cost someone who adopts them? Do they have transportation to pay?

Mr. **Chapman**. There is a $50 to $75 fee charged for an individual that takes the burro.

Mr. **Regula**. That is delivered?

Mr. **Chapman**. That's right. However, there is still an expenditure that we make over and above that in order to accomplish this task.

Mr. **Regula**. I was going to say, do you ship them by truck?

Mr. **Chapman**. They are shipped by truck, primarily, to other parts of the country.

Mr. **Regula**. How wild are they?

Mr. **Chapman**. Over a matter of time, most people are satisfied that they can be made into pets if that is the kind of a pet you want. [Laughter.]

Mr. **Regula**. I used to have a burro on my farm and it died of old age.

What do you do about their health? Do you do any screening on them for health conditions before you ship them?

Mr. **Chapman**. They are examined. There is a very cursory examination made by a veterinarian before they are moved in. Of course, in certain states there are certain requirements.

Mr. **Yates**. Mr. Chapman, you moved some money from Yosemite down to Death Valley. Is there a reason for it?

Mr. **Chapman**. Yes, sir, because the Death Valley program for burro reduction was a three-year program that was funded under a significant resource problem. However, we had a fourth year, and that necessitated the movement of money from Yosemite to Death Valley in order to accomplish that.

ELECTRIC POWER AT YOSEMITE NATIONAL PARK

Mr. **Yates**. You have got an electric bill coming up because a generator has gone out?

Mr. **Chapman**. That is due to our decision to not rehabilitate the hydroelectric plant in Yosemite, and that is going to require us now to purchase power, where in the past we have manufactured power. However, the expenditure of funds that was going to be required was going to be somewhere in the neighborhood, I believe, if I have the figure correct, of around $11 million to $12 million.

Now, over a period of time——

Mr. **Yates**. For restoring your own power unit?

Mr. **Chapman**. Yes. To go in and rebuild the generators. The stock would have to be replaced completely from the dam down to the hydroelectric plant. Frankly, also we were in violation of our own policy with regard to natural conditions within the Yosemite Valley, and, therefore, the decision was made that we would not proceed with the refurbishment of that electrical plant, since we were also protesting the development of an electrical facility just outside of the park, which was going to back water into a portion of Yosemite Park.

Mr. **Yates**. Is the amount that you have scheduled, $700,000, enough for the power? That is the amount that you have scheduled.

Mr. CHAPMAN. That is going to be very close to it.

Mr. YATES. Your New Initiatives says that the deficit is compounded by the fact that the maintenance budget includes $1.8 million in income generated by utilities collections, principally from the operation of the Yosemite hydroelectric plant. If this income were not available, Yosemite's total operations and maintenance budget would be deficient by $3.6 million".

Mr. CHAPMAN. Did you say $3.6 million?

Mr. YATES. Yes.

Mr. GALVIN. The $1.8 million in receipts includes receipts—we generated electricity there for the concessioner, so the concessioner paid us. And I believe the difference between what we are asking for here will be made up by the concessioner paying directly to the power company. Is that correct?

Mr. CHAPMAN. That is right. A considerable part of that electrical bill is to the concessioner. We will no longer be involved in those bills.

WILD PIGS IN REGION

Mr. YATES. And what about the wild pigs threatening your redwoods? Are you taking care of the wild pigs?

Mr. CHAPMAN. Yes. There is the beginning of a program to eliminate wild pigs, particularly in the area at Golden Gate National Recreation Area and at Point Reyes National Seashore where that problem has developed, as well, of course, as what we are doing in the Hawaii Volcanoes National Park and in the Haleakala National Park.

Mr. YATES. Is it a real problem in your beach?

Mr. CHAPMAN. Yes, sir. It is a developing problem not only for the National Park Service on the lands within the seashore and the recreation area, but also in the Marin Water District and in the state park areas.

SANTA MONICA MOUNTAINS NATIONAL RECREATION AREA

Mr. YATES. Are you going to close the land acquisition office at Santa Monica?

Mr. CHAPMAN. Yes, sir.

Mr. YATES. Tell us why.

Mr. CHAPMAN. The reason for that is the limited amount of money that is now available from a land acquisition standpoint. That money that is available or that can be available in the future is an acquisition that we can handle from the Regional Office. It is the only land acquisition office that we have had in the region. We will have people in the Regional Office to handle the technical aspects of land acquisition. The management responsibilites remain with the superintendent and his staff, and he is adequately staffed to carry that on.

Mr. YATES. Can you tell us how much of the authorized area for Santa Monica that you now have in hand?

Mr. CHAPMAN. We have a little bit over 11,000 acres out of about 35,000 that will eventually be acquired as part of the recreational areas, so we are approximately one-third there.

Mr. YATES. Mr. Mott proposed that the State of California take over the management of the recreation area, while the Park Service would take control over California's redwood parks.

Are you still pursuing this option?

Mr. MOTT. This was a proposal that I suggested, and they are not tied together; they are separate possibilities.

We are, at the present time, discussing the possibility of turning over some of the state parks to the national parks in connection with the redwoods, and the Save the Redwoods League is in favor of turning over Prairie Creek, and I will be discussing this with the Director of the State Park System in the next few weeks.

HETCH HETCHY RESERVOIR

Mr. YATES. What about the Hetch Hetchy Reservoir within Yosemite? That supplies water and electricity to San Francisco. What annual fee does the city pay to you for the use of the reservoir?

Mr. CHAPMAN. I will have to get that figure and supply it for the record.

Mr. YATES. All right. And you don't know how much the city of San Francisco makes from operation of the reservoir?

Mr. CHAPMAN. No.

Mr. YATES. Do you have the authority to charge the city of San Francisco more for its use of the reservoir?

Mr. CHAPMAN. I cannot say, but I would say that we have that authority, yes.

Mr. YATES. Do you have a contract with the city now for the amount of money that they pay?

Mr. CHAPMAN. The exact instrument and all, I'd have to get that information and supply it.

Mr. YATES. All right. Would you put it in the record, please?

Mr. CHAPMAN. Fine.

[The information follows:]

HETCH HETCHY RESERVOIR

Congress, in the Raker Act of 1913, granted San Francisco rights to certain water in Yosemite National Park and the right to erect and maintain dams, canals and other facilities. To keep the park open to visitors, campers and hikers and to facilitate San Francisco operations, roads and trails were constructed. The cost of which and their maintenance is to be paid by San Francisco.

As defined in section 7 of the Raker Act (1913): ". . . that for and in consideration of the grant by the United States as provided for in this Act the said grante shall assign, free of cost to the United States, all roads and trails built under the provisions hereof; and further, after the expiration of five years from the passage of this Act, the grantee shall pay to the United States the sum of $15,000 annually for a period of ten years, beginning with the expiration of the five-year period before mentioned, and for the next ten years following $20,000 annually and for the remainder of the term of the grant shall, unless in the discretion of Congress the annual charge should be increased or diminished, pay and sum of $30,000 annually, said sums to be paid on the first day of July of each year. Until otherwise provided by Congress, said sums shall be kept in a separate fund by the United States, to be applied to the building and maintenance of roads and trails and other improvements in Yosemite National Park and other national parks in the State of California. The Secretary of the Interior shall designate the uses to be made of sums paid under the provisions of this section under the conditions specified herein."

In fiscal year 1985, the city and country of San Francisco paid Yosemite National Park $30,000 under the provisions of the Raker Act. Additionally, San Francisco negotiates yearly with the park for increased maintenance and protection costs associ-

ated with the Hetch Hetchy. San Francisco paid Yosemite National Park an additional $168,000 for these costs in fiscal year 1985.

ALASKA REGION

Mr. YATES. Mr. Evison, tell us about Alaska. Is your domain getting any smaller?

Mr. EVISON. No, sir. Having read Mr. Contor's testimony last year, I would have to say that many of the same conditions that he described then still prevail, but there has been some areas in which substantial progress has been made.

The Interagency Visitor Center in Fairbanks was dedicated last summer, offering an opportunity for visitors to Alaska to better understand and enjoy all of the public lands of Alaska.

We expected to be able to open the one in Anchorage this year. We've run into problems with asbestos in the building, and probably it will be sometime early next year before that is completed.

We have made some progress in trying to resolve issues with the people of Anaktuvuk Pass who desire to use all-train vehicles for subsistence purposes in the Gates of the Arctic National Park and Preserve.

Probably the most significant events, in terms of investment and involvement of personnel, were the lawsuit by the Sierra Club and the result. The court found that the Park Service had not been doing its job adequately in handling mining and minerals activities in the parks, and as a result of that finding, we have begun gearing up to do what we hope will be a more than adequate job on that.

We were, all through last year, heavily involved in particularly the public participation stages of the process to develop a general management plan for the areas that we administer in Alaska. That was extensive and extended, as it happens. We did extend the period and came out with a revised draft general management plan, which has been up for comment, which comments are now being reviewed, and revisions will be made, and the final we hope will be submitted to Washington by late this spring.

We hope in that to resolve at least most of the issues that have been raised as a result of the public review that has gone on so far in connection with those general management plans. There are many controversial issues.

STAFFING AND AIRPLANE

Mr. YATES. Do you have enough personnel to deal with the problems? Last year, your predecessor told us about the vast territory that he had to supervise, so the committee gave him an airplane to deal with it. [Laughter.]

I imagine that's cheaper than hiring an adequate staff, isn't it?

Mr. EVISON. Yes, sir. Well, that's the way you do things in Alaska for sure, and that aircraft will make a great deal of difference. Actually, we couldn't begin the acquisition process on that, and it probably will not be obtained—that's done through the Office of Aircraft Services—it probably will not actually be acquired until late this summer. The pilot will be brought on some time before that. Recruitment begins well before that for that position. However, we were fortunate in persuading the Director to push up in priority a wolf study at Denali National Park, which will have the advantage of getting us some information that we need very badly and will also put aircraft in the air and people up there at a time when we need to be particularly watching that park.

POACHING

Mr. YATES. Is poaching a problem?

Mr. EVISON. Yes, it is.

Mr. YATES. It is.

Mr. EVISON. Yes.

Mr. YATES. Can you deal with it with your limited personnel?

Mr. EVISON. I don't suppose with almost any amount of increase in personnel, we could say we could deal with it 100 percent. We could certainly deal with it better with a few more people, but the main thing, I think, is to not get to the point where people feel that they can engage in those activities with complete impunity, and I am not sure whether we've reached that level or not.

DRUG PROBLEM

Mr. YATES. Are drugs a problem in your area?

Mr. EVISON. If they are, it would be pretty insignificant.

Mr. YATES. You can't grow marijuana on your lands, can you?

Mr. EVISON. No, sir. More in where I came from.

Mr. YATES. Where did you come from?

Mr. EVISON. Sequoia and Kings Canyon National Parks.

Mr. YATES. Sequoia and Kings Canyon. Was it growing there?

Mr. EVISON. Yes, sir.

SERVICE-WIDE CRACKDOWN ON DRUGS

Mr. YATES. What are you doing about it, incidentally, Mr. Mott? I should have asked that of all your Regional Directors. What are you doing about marijuana and drugs?

Mr. MOTT. Well, last year we had a system-wide crackdown on the growing of marijuana in the park units, and it was very effective. It's not as prevalent as——

Mr. YATES. So you don't have it anymore, then?

Mr. MOTT. Well, I wouldn't say that. It comes back.

Mr. YATES. It grows every year, doesn't it?

Mr. MOTT. Sure. But we are keeping the pressure on, and I think that the growing of marijuana in the national parks is a very limited situation.

Mr. YATES. A very limited situation. Do you have the funds to deal with it in this budget?

Mr. MOTT. I think so, yes.

OTHER ACTIVITIES IN THE ALASKA REGION

Mr. YATES. Okay. Anything else you want to tell us?

Mr. EVISON. Yes, sir. The restoration work on five of the buildings at Klondike Gold Rush National Historical Park was just completed last year. We're expecting to complete the restoration on another of those buildings in this fiscal year. We hope that we will finish the restoration work on the Bishop's House at Sitka National Historical Park this year.

We have been working with the state on the first stages in the development of a proposal for a visitor center and other facilities in Denali State Park on the south side of Denali National Park, which would help considerably in providing additional opportunity for the public to enjoy the park and understand it better without imposing directly on the resources of the park.

Mr. YATES. Does the state help you in connection with your problem of poaching of the wolves? Do you get any help?

Mr. EVISON. Yes, sir. They help us with various activities that we engage in to try to cut down on the poaching activity.

Mr. YATES. Are you losing the wolf population, and is that desirable?

Mr. EVISON. It certainly is not desirable. And as far as I know, we have not lost additional wolves through the kind of activities that occurred at Denali National Park.

Mr. YATES. I see. Do you have any problems with animals? By that, I mean, about losing animals. Do you have to worry about polar bears? Do you have to worry about grizzly bears?

Mr. EVISON. There is poaching, some of it done commercially on a pretty large scale, we suspect, in the national park system in Alaska, very much the kind of situation that Roger described last year. It still exists.

LAND ACQUISITION

Mr. YATES. What about the question of land acquisition? As I remember his testimony last year, he worried about development on a number of your lakes up there. Is that still taking place, and do you have to worry about land acquisition?

Mr. EVISON. Yes, we do, and we have a number of projects of potential acquisitions that we'd like to be able to make. Again, it's a question of how they stack up against the needs servicewide and other needs nationwide.

Mr. YATES. In other words, the development is going to take place, then, isn't it?

Mr. EVISON. Primarily, and as I said or mentioned earlier, we are trying to concentrate on those areas that would introduce development into an otherwise extensive, pristine area.

Mr. YATES. Well, do you have any money to stop it?

Mr. EVISON. I think there's nothing right now.

Mr. YATES. Well, then you don't have the funds to stop it.

Mr. EVISON. Not this year.

Mr. YATES. Did you ask for funds? How much money do you need?

Mr. EVISON. Boy, that would be very difficult to——

Mr. YATES. Yes, but you ask for a certain amount. How much money did you ask for?

EMERGENCY LAND ACQUISITION

Mr. GALVIN. We asked for $15 million in this budget, and that includes $8 million for emergency acquisitions Nation-wide.

Mr. YATES. For an emergency?

Mr. GALVIN. No, nationwide emergencies.

Mr. YATES. This is part of the Nation. [Laughter.]

Mr. GALVIN. That's right. That could include Alaskan acquisitions.

Mr. YATES. How much money are you going to give him?

Mr. GALVIN. That depends on what the nationwide priorities are.

Mr. YATES. Where is he on the list of priorities?

Mr. GALVIN. I would have to look at the list before I could tell you.

Mr. YATES. Where's your list?

Mr. SALISBURY. I'm not sure we have a list. It's as needs come up, we assess them, and if they're——

Mr. YATES. You don't have any money in this budget for emergency acquisition?

Mr. SALISBURY. $8 million.

Mr. YATES. $8 million. What will that do? Buy one tract?

Mr. SALISBURY. Well, if it's a big enough tract, yes.

ALASKA NATIVE INHOLDINGS

Mr. HORN. Mr. Chairman, I wondered if I might add, in the Alaska context, one of the major factors is that when the parks were created, they encompassed considerable tracts of land owned by the native corporations, land that they received pursuant to the 1971 Alaskan Native Claims Settlement Act. We are barred from condemning; we have no condemnation authority on those lands, and much of the development that may occur in some of these units is as a result of the natives' activities on their holdings that they do in conjunction with settlement of their aboriginal claims. So it's a unique situation, different from what we face in the lower 48 states.

Mr. YATES. Okay. Thank you, Mr. Evison. Is there anything else you want to tell us, or is that everything?

Mr. EVISON. No, sir.

DENVER SERVICE CENTER

Mr. YATES. Mr. Patten, do you want to tell us anything about Denver?

Mr. PATTEN. Yes, sir. I would just tell you that the Denver Service Center is actively pursuing the 1986 planning, design, and construction program. There are two things—at least two things, and I think they're significant this year. One is, since Mr. Mott has become the Director, there has been an increased interest in design quality, especially as it relates to roads in the parks, so the Denver Service Center is having to work a lot harder, and I think work a lot closer at specific design solutions that we have proposed in parks, which I think is a plus.

Mr. YATES. You don't have the empire that Mr. Galvin had, do you? [Laughter.]

Mr. PATTEN. It's a little smaller, sir.

Mr. YATES. Is that why he transferred? [Laughter.]

Mr. PATTEN. The second thing is that we went through a reorganization of the office in October and tried to review some of the management overhead, which I believe we have done successfully, which should help in the overall operation and management of the office from the financial standpoint over the next several years.

Mr. YATES. Have you got any work left for you to do?

Mr. PATTEN. Excuse me?

Mr. YATES. Is there any work left for you to do?

Mr. PATTEN. Well, if I look at the 1987 program, I get a little nervous. But looking at our program overall, as you understand, we work in a multi-year phase, so that my problem is not going to be real great, given the present funding levels, until 1988. In other words, we will probably be able to sustain a smaller office, but at least we will sustain an office through 1987.

I am taking some active measures to manage the size of the office, so we can live with whatever future construction programs there are.

Mr. YATES. Mr. Regula?

ROCKY MOUNTAIN NATIONAL PARK

Mr. REGULA. I urge you to visit Rocky Mountain, which I did last summer, and it's quite impressive as a facility, and I was impressed with the quality of the surroundings, the roads, the visitor facilities and so on.

And you get a lot of play in that one, I would imagine, from Denver and so on.

Mr. PATTEN. Yes. Our role, Mr. Regula, in that particular park has been rehabilitating the roads and visitor facilities and manage it from an operations standpoint.

Mr. REGULA. Mr. Chairman, I just have two questions. I assume you're about ready to adjourn.

Mr. YATES. Yes.

CUYAHOGA VALLEY NATIONAL RECREATION AREA

Mr. REGULA. One question to Mr. Odegaard. I understand that a Declaration-of-Taking on the Cameratta tract located in the boundaries of the park in Cuyahoga is moving through the department; is that correct? And if so, what's the status of it?

Mr. ODEGAARD. That is proceeding at the present time.

Mr. REGULA. My concern is that the owners intend to go ahead with the improvements and pave the streets in the event that there is no action taken to acquire the property prior to March 24, then of course that would then add to the expense. Would any of you care to comment?

I guess my question really is will you get the declaration filed before March 24?

Mr. KRIZ. It has to come to the committees for concurrence. Of course, the request for concurrence has gone past the National Park Service to the department. Perhaps someone here can tell you where it is.

Mr. ITTEILAG. I understand it is pending clearance from OMB. When I leave here today, I will see what I can do.

Mr. REGULA. Let us know. I am concerned about the March 24 date.

ENTRANCE FEE PROPOSAL

My other question is to Mr. Mott. I missed your comments on the proposal for collecting additional fees. I want to say that I firmly support that action. I hope that the authorization committee will act favorably. I believe an increase in fees in the park system is essential with the money flowing back for enhancement of the park experience. Some will raise the issue of the deprivation of low income people from access.

Isn't this addressed by the fact that you will propose to exempt the urban parks from any requirements of fees of any type?

Mr. MOTT. That is exactly true. Those people, from the surveys we made in California, either don't have an automobile or they don't have the money to travel great distances. Santa Monica Mountain, Golden Gate, Gateway, Cuyahoga Valley National Recreation Areas, and so forth, will be available to them and we will not be charging fees to those areas. They are going to have national park areas that are near urban centers. They are going to have an opportunity to use those parks without cost.

Mr. REGULA. Would the additional funds generated by the fee program you are proposing provide some monies to be used in the urban parks for enhancement of their values?

Mr. MOTT. That's correct. Approximately 75 percent of the money collected will go to the parks that collect it; 25 percent will go to the parks that do not collect funds.

Mr. REGULA. The 75 percent would really flow back into the park where it is generated for continued improvement?

Mr. MOTT. That's correct.

Mr. REGULA. Thank you.

GOLD MINING PERMITS

Mr. YATES. Mr. Evison, I have one other question. Why did you issue permits to mine for gold without getting Environmental Impact Statements?

Mr. EVISON. I didn't, sir. I think the intention was——

Mr. YATES. Somebody did.

Mr. EVISON. I think the intention was to be reasonable and proceed in a way that would not pose a significantly increased threat to the resources while going through a process that was also fair to the miners.

Mr. YATES. Does that mean you favor doing away with an Environmental Impact Statement?

Mr. EVISON. No, sir. The court let us know that we made a serious mistake.

Mr. YATES. That was before your advent?

Mr. EVISON. Yes, sir.

Mr. YATES. Is that a decision that came down from Washington?

Mr. EVISON. I do not know, sir. I do not think it was.

Mr. YATES. The former Regional Director did that all on his own?

Mr. EVISON. I think that is probably something that had developed over time. That is a Region that has never, certainly since the huge addition of the park lands to the system in Alaska in 1980, really gotten quite cured up. They have been stretched.

Mr. YATES. You are not doing it any more?

Mr. **Evison**. Stretching?

Mr. **Yates**. No. Issuing permits without the EIS.

Mr. **Evison**. No, sir. The court has indicated to us, I think on December 4, that it may be possible to issue permits, at least in 1986, without the complete cumulative EIS being done on those three parks or on two earlier and then on the additional one, within the time they said they needed to do them.

Mr. **Yates**. That is what the law requires.

Mr. **Evison**. The court required the cumulative EIS. The law requires an environmental assessment and that is what the original finding was, that we were not doing that.

ASSESSMENTS

Mr. **Yates**. Mr. Mott, why are you a law violator? [Laughter.]

Mr. **Mott**. Why do I violate the law?

Mr. **Yates**. Yes, section 309 of the Continuing Resolution says that no assessments may be levied against any program, budget activity, subactivity or project under this Act unless such assessments and the basis thereof are presented to the Committee on Appropriations and approved by such committee.

You assessed every one of your operations and never came to the committee for approval.

Mr. **Salisbury**. Mr. Chairman, it is obviously our intent to do that. We are preparing——

Mr. **Yates**. Oh? Are you letting the committee know that now?

Mr. **Salisbury**. I am letting the committee know that now. I have provided the memos about a week ago. We just haven't put the letter together and gotten it through the proper clearances.

Mr. **Yates**. Not enough funds for it? [Laughter.]

Mr. **Salisbury**. No. I don't think that is the case. There were not enough funds in these various accounts. We have had some cost increases in GSA space, telephone bills, which we think we have covered in the 1987 budget, but which we do not believe, based on the latest estimates, that we can cover with the funds available in 1986.

Mr. **Yates**. In what other respects have you made Mr. Mott a law violator?

Mr. **Salisbury**. I believe that is the only one. [Laughter.]

Mr. **Yates**. He can rest easy now, now that he knows you are going to comply with it; right?

Mr. **Salisbury**. Yes, sir.

Mr. **Yates**. We have some questions for the record, Mr. Mott.

Mr. **Regula**. I have some questions, too, Mr. Chairman.

WATER RIGHTS CASES

Mr. **Yates**. Mr. Regula also does, Mr. Mott, and there may be others. I see you want an extra million dollars to defend your rights to get water in the water right cases. Isn't that too bad that you have to worry about your water rights on your own property.

Will you put into the record how many cases this will let you adjudicate?

Mr. **Galvin**. Yes, we will.

[The information follows:]

Water Rights

The National Park Service has identified approximately 103 pending water rights cases that we anticipate will involve State Court adjudication proceedings. The majority of these cases are in the western United States with the heaviest work loads in Alaska, Arizona, Colorado, California, Kansas, Montana, New Mexico, and Oklahoma. The requested funding will enable the Service to begin collecting the data necessary for identifying and quantifying park water requirements in most of these cases, and also to begin the process of developing the necessary water claims documentation for submission to the State Courts.

Mr. YATES. We will have some questions for you. I think we covered it pretty well, not as well as we should, perhaps. Good luck with your budget.

PUBLIC LIABILITY

Mr. MOTT. I have one thing I would like to call to your attention. I think ultimately it is going to affect our budget. I think we have to begin to seriously think about it. It may not be your responsibility, but I want to mention it because it does affect our budget—that is public liability. This whole situation of public liability is affecting our concessionaires and ultimately affecting our service simply because in some cases, it is not even possible to get public liability let alone the cost.

The tram at Yosemite National Park, for example, the insurance rate on that has gone up substantially. The same is true here in Washington. At some point, if it continues next year, our concessionaires are telling us they will not be able to operate. I think we need to look at this problem because if we have to take on those responsibilities, and without the ability to get public liability and with people as suit happy as they are today, our costs can go up substantially and our budget will have to go up substantially. I think this should be kept in mind.

Mr. YATES. Is OMB going to let you cover that?

Mr. MOTT. I don't know. I don't think it is a question of covering it with dollars. I think it is a question of solving that problem of public liability.

CLOSING REMARKS

Mr. YATES. Thank you and thank your Directors and your employees very much.

[Questions and answers submitted for the record follows:]

QUESTIONS SUBMITTED BY CONGRESSMAN RALPH REGULA

Cuyahoga Valley National Recreation Area

1. Question: Has the Park Service done any estimates of the cost of the Chessie tracks?

Answer: To date, the National Park Service has not prepared any estimates of the cost of the Chessie tracks.

2. Question: For the record, could you provide an estimate of what it will cost to complete land acquisition in Cuyahoga?

Answer: Approximately $30 to $40 million would be required to fully implement the Land Protection Plan. However, to fully protect all of the critical tracts of over 50 acres, which includes the most vulnerable areas, only $12 to $15 million in additional funding would be necessary. According to the most recent master deed listing, presently $76,226,849 has been spent.

3. Question: The FY 1986 Continuing Resolution included $1,287,000 for five construction projects in Cuyahoga. For the record, could you provide a status report on these five projects?

Answer: The status of these projects is as follows:

1. Erosion control. Through 1984, seven sites were restored and contract documents were prepared for two others. In 1985, $198,000 was used for plugging gas wells, $254,000 for restoration of Grey Quarry, and $122,000 for several smaller projects. In fiscal year 1986, work is planned for Hillside Road, an area of about 20 acres that was a former topsoil removal area, where shale dust was later dumped, preventing natural revegetation from occurring, and for Cerny Tract (West), a former topsoil removal area where flyash material was wasted on the 12-acre site, retarding natural revegetation.

2. Everett Road Bride Reconstruction. Work began in July 1985 and is being accomplished by the Williamsport Preservation Training Center. Bridge abutment protection and streambank stabilization of Furnace Run was completed by contract. The target completion date for reconstruction of the bridge was November 20, 1985. However, due to the determination that the design had to comply with modern bridge codes while not compromising the historic design and appearance of an authentic Smith Truss, actual construction did not begin until September 1985. In addition, progress was further impeded by inclement weather. To date, 95 percent of the materials have been purchased, and one truss is 85 percent complete. The total reconstruction is approximately 30 percent complete. Work is tentatively scheduled to begin again in April, weather permitting.

3. Everett Village Structures. Stabilization work is being accomplished by the Williamsport Preservation Center and is underway.

4. Three Trail Bridges. This project has been advertised for bids by contractors. The tentative award date of contract is May.

5. Coonrad Ranger Station Rehabilitation. The building has been reroofed, new water supply, plumbing, heating, and electrical systems installed, and the deteriorated interior finishes repaired/replaced. In addition, nonhistoric outbuildings were removed and a new septic system installed. Completion of the interior refinishing, replacement of a deteriorated entrance porch, provision of access for the physically disabled, rehabilitation of the outbuildings, site work, and landscaping will be funded with fiscal year 1985 and fiscal year 1986 congressional add-on funding. Contract documents are presently being prepared. Award for the interior refinishing and porch is expected this spring. The balance of the remaining work should be awarded by the end of the current fiscal year.

4. Question: Have construction projects funded in FY 1984 and FY 1985 in Cuyahoga been completed?

Answer: The status of these projects is as follows:

1. Removal of the Greenwood Village Sewage Treatment Plant was completed in December 1985. The site has been fully restored except for some final seeding and grading which will be accomplished this spring.

2. The paving and landscaping of the Jaite Headquarters parking lots were completed in the fall of 1985.

3. Fishing pond development has been completed at three ponds. Development at two more ponds is presently underway and is scheduled for completion by August 1, 1986. (Completed: Kendall Lake, Sylvan, and Meadowedge; Underway: Goosefeather and Horseshoe).

4. Trail rehabilitation funds have been expended. Approximately 2 miles of trail have been upgraded, including stairways, signs, realignment and trailhead bulletin boards.

5. The Locktender's House sanitary and storm sewer system contracts have been awarded and are substantially complete. Work will be finished when weather permits. Structural rehabilitation is underway. Work should be finished this spring.

6. Directional signs have been fabricated and will be installed this spring and summer. Entrance sign contract documents and specifications have been prepared. Contracts will be awarded within the next 60 days.

7. At Brandywine Falls, an architectural and engineering contract was entered into in October 1985 and is expected to be completed within the next month. This contract will produce site planning alternatives.

8. Indigo Lake site restoration is presently 80 percent complete. Work should be entirely finished by July 1. The architectural and engineering aspect of this work is being accomplished in conjunction with the Brandywine Falls planning noted in number 7 above.

Cuyahoga Valley National Recreation Area

5. Question: Last year in response to a question I asked concerning visitation at Cuyahoga you responded that while the National Park Service as a whole had experienced only a modest rate of growth in visitation, the visitation growth rate at Cuyahoga Valley outstrips the Service average. In fact in 1984, Cuyahoga Valley ranked 59th among all park areas in total recorded visits. As I look at your FY 87 budget for operations most parks are kept at the FY 86 rate. Do parks such as Cuyahoga and the other urban parks which you indicate are having large increases in visitation need an increase in their operations budget?

Answer: Increased visitation, such as has been the recent trend at urban parks, is not in itself a requirement for an increased park operating budget. The key question that must be answered in requesting an increase is whether the increased visitation has created requirements which outstrip management's ability to effectively operate the park within the resources available. The Service believes that there are sufficient funds available to operate the park areas at an acceptable standard without compromising visitor safety and resource protection.

It should be noted that reductions taken by the parks in fiscal 1986 will be restored in 1987, allowing more funding to be available at the park level than in 1986. In addition, proposed legislation in 1987 to initiate and/or increase recreation user fees will allow the National Park Service to retain a portion of the generated revenues for use in enhancing park operations. The Service is proposing that all parks in the System benefit from the additional revenue. Urban areas such as Cuyahoga Valley National Recreation Area, which will not be subject to an entrance fee, will receive funds from this source to expand, as necessary, park operations.

In 1985, visitation at Cuyahoga Valley National Recreation Area showed a slight decline of 20,000 from the 1984 level.

6. Question: In general what will the impact of this no growth policy be on the operation of the parks?

Answer: Assuming passage of the fee legislation, park areas will have sufficient base funding to operate park units at an acceptable standard, and provide a safe and enjoyable park experience for the visiting public. In fiscal 1987, the proposed legislation to increase user fees and make the revenue collected available to the Service will benefit all park areas, not only those that will begin or continue to charge an entrance or user fee. If the proposed fee legislation is enacted some budgetary "growth" will be possible for all units of the National Park System.

7. Question: Why is a Park such as Denali which has less visitation than Cuyahoga budgeted for a $150,000 increase in operations in FY 87?

Answer: The National Park Service was sued by environmental organizations for noncompliance with its own mining regulations. The District Court ruled in favor of the plaintiffs, requiring the Service to properly process mining plans of operation and prepare complete environmental assessments to support decisions on whether those operations contribute to cumulative environmental impacts. By necessity, funding for Alaska parks such as Denali is a very high Service priority.

Canal Boats

8. Question: Last year we discussed a proposed canal boat in Cuyahoga. You indicated that you would get back to me with what was planned. I have not heard anything further. What is the status of that proposal?

Answer: Over the years, some "interest groups" have talked of restoring canal boats to the Ohio and Erie Canal as a means of interpreting this aspect of the area's transportation theme. Implementation of such a program would be quite expensive, and under present fiscal constraints could not be accomplished in the near future. The State of Ohio still retains ownership of the canal lands, and unless they come into Federal ownership and the canal structures are restored, it is premature to speculate as to whether and how the use of canal boats will fit into future plans for the area.

Historic Leasing

9. Question: Last year, in connection with generating revenues, we discussed the use of historic leasing in Cuyahoga, and Mr. Odegaard indicated you had plans to do more of that in Cuyahoga. Have you done any of that?

Answer: On February 14, a 20-year lease on the Daniel Tilden House for use as a professional office was signed. The lessee is to invest $48,000 in capital investment and to provide all routine and cyclic maintenance over the lease term. Preparation of appraisals for three additional properties (Wallace Farm, Packard/Doubler House and Jaite Paper Mill) for which lease proposals have already been received is underway. Requests for proposals for two additional historic structures are also being prepared.

Fees

10. Question: Last year you provided a list for the record of additional areas you were proposing to collect fees in. Would you provide for the record any changes to that list that your proposal this year would entail?

Answer: A listing of all areas included in the current fee proposal showing the proposed fee for each site follows:

NATIONAL PARK SERVICE PROPOSED ENTRANCE FEE AREAS

PARK	PROPOSED 87 FEE
$10 FEE AREAS	
BIG BEND NP	$10.00
EVERGLADES NP	$10.00
GLACIER NP	$10.00
GRAND CANYON NP	$10.00
GRAND TETON NP	$10.00
MESA VERDE NP	$10.00
MOUNT RAINIER NP	$10.00
ROCKY MOUNTAIN NP	$10.00
YELLOWSTONE NP	$10.00
YOSEMITE NP	$10.00
$5 FEE AREAS	
ACADIA NP *	$5.00
ASSATEAGUE ISLAND NS *	$5.00
BANDELIER NM	$5.00
BRYCE CANYON NP	$5.00
CANYONLANDS NP	$5.00
CAPE COD NS *	$5.00
COLONIAL NHP *	$5.00
COLORADO NM *	$5.00
CRATER LAKE NP	$5.00
DEATH VALLEY NM	$5.00
DINOSAUR NM	$5.00
FORT LARAMIE NHS	$5.00
FORT UNION NM	$5.00
HAWAII VOLCANOES NP	$5.00
ISLE ROYALE NP	$5.00
JOSHUA TREE NM	$5.00
LASSEN VOLCANIC NP	$5.00
LAVA BEDS NM	$5.00
PETRIFIED FOREST NP	$5.00
PINNACLES NM	$5.00
SEQUOIA/KINGS CANYON NP	$5.00
SHENANDOAH NP	$5.00
THEODORE ROOSEVELT NP *	$5.00
ZION NP	$5.00
$3 FEE AREAS	
AGATE FOSSIL BEDS NM	$3.00
ALLEGEHENY PORTAGE RAILROAD NHS	$3.00
ANDERSONVILLE NHS	$3.00
AZTEC RUINS NM	$3.00
BADLANDS NP	$3.00
BLACK CANYON OF THE GUNNISON NM	$3.00
CABRILLO NM	$3.00
CANAVERAL NS	$3.00
CANYON DE CHELLY NM	$3.00

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NATIONAL PARK SERVICE PROPOSED ENTRANCE FEE AREAS

PARK	PROPOSED 87 FEE
CAPE HATTERAS NS	$3.00
CAPITOL REEF NP	$3.00
CAPULIN MOUNTAIN NM	$3.00
CASA GRANDE NM	$3.00
CEDAR BREAKS NM	$3.00
CHIRICAHUA NM	$3.00
CORONADO N MEM	$3.00
COWPENS NB	$3.00
CRATERS OF THE MOON NM	$3.00
CUMBERLAND GAP NHP	$3.00
CUSTER BATTLEFIELD NM	$3.00
DEVILS POSTPILE NM	$3.00
DEVILS TOWER NM	$3.00
FLORISSANT FOSSIL BEDS NM	$3.00
FORT DAVIS NHS	$3.00
FORT DONELSON NMP	$3.00
FORT RALEIGH NHS	$3.00
FORT WASHINGTON PARK	$3.00
GREAT FALLS PARK (GWMP)	$3.00
GREAT SAND DUNES NM	$3.00
GUADALUPE MOUNTAINS NP	$3.00
GUILFORD COURTHOUSE NMP	$3.00
GULF ISLANDS NS *	$3.00
HALEAKALA NP	$3.00
HOPEWELL FURNACE NHS	$3.00
MONTEZUMA CASTLE NM	$3.00
OLYMPIC NP *	$3.00
ORGAN PIPE CACTUS NM	$3.00
PADRE ISLAND NS	$3.00
PIPE SPRING NM	$3.00
PIPESTONE NM	$3.00
SAGUARO NM	$3.00
SCOTTS BLUFF NM	$3.00
TONTO NM	$3.00
TUMACACORI NM	$3.00
TUZIGOOT NM	$3.00
WALNUT CANYON NM	$3.00
WHITE SANDS NM	$3.00
WIND CAVE NP	$3.00
WUPATKI-SUNSET CRATER NM	$3.00

$2.50 FEE AREAS

ADAMS NHS	$2.50
APOSTLE ISLANDS NL	$2.50
CHACO CULTURE NHP	$2.50
CUMBERLAND ISLAND NS	$2.50
EDISON NHS	$2.50
FREDERICK LAW OLMSTED NHS	$2.50
GOLDEN SPIKE NHS	$2.50
GRANT-KOHRS RANCH NHS	$2.50
HARPERS FERRY NHP	$2.50

NATIONAL PARK SERVICE PROPOSED ENTRANCE FEE AREAS

PARK	PROPOSED 87 FEE
HOME OF FRANKLIN D ROOSEVELT NHS	$2.50
INDEPENDENCE NHP *	$2.50
JOHN MUIR NHS	$2.50
LONGFELLOW NHS	$2.50
LOWELL NHP	$2.50
LYNDON B JOHNSON NHP	$2.50
SAINT-GAUDENS NHS	$2.50

$1.50 FEE AREAS

ANDREW JOHNSON NHS	$1.50
ANTIETAM NB	$1.50
APPOMATTOX COURT HOUSE NHP	$1.50
ARKANSAS POST NMEM	$1.50
ARLINGTON HOUSE-ROBT. E. LEE NMEM	$1.50
BENT'S OLD FORT NHS	$1.50
BIG HOLE NB	$1.50
BOOKER T WASHINGTON NM	$1.50
BOSTON NHP	$1.50
BUCK ISLAND REEF NM	$1.50
CAPE LOOKOUT NS	$1.50
CARL SANDBURG HOME NHS	$1.50
CASTILLO DE SAN MARCOS NM	$1.50
CASTLE CLINTON NM	$1.50
CHICKAMAUGA/CHATTANOOGA NMP *	$1.50
CHRISTIANSTED NHS	$1.50
CLARA BARTON NHS	$1.50
DE SOTO N MEM	$1.50
EDGAR ALLEN POE NHS	$1.50
EFFIGY MOUNDS NM	$1.50
EISENHOWER NHS	$1.50
EL MORRO NM	$1.50
ELEANOR ROOSEVELT NHS	$1.50
FORD'S THEATRE NHS *	$1.50
FORT CAROLINE NMEM	$1.50
FORT CLATSOP NMEM	$1.50
FORT FREDERICA NM	$1.50
FORT LARNED NHS	$1.50
FORT McHENRY NM & HISTORIC SHRINE	$1.50
FORT NECESSITY NB	$1.50
FORT PULASKI NM	$1.50
FORT SCOTT NHS	$1.50
FORT SMITH NHS	$1.50
FORT STANWIX NM	$1.50
FORT SUMTER NM	$1.50
FORT VANCOUVER NHS	$1.50
FREDERICKSBURG/SPOTSYLVANIA NMP	$1.50
FRIENDSHIP HILL NHS	$1.50
GEORGE ROGERS CLARK NHP	$1.50
GEORGE WASHINGTON BIRTHPLACE NM	$1.50
GEORGE WASHINGTON CARVER NM	$1.50
GETTYSBURG NMP	$1.50

NATIONAL PARK SERVICE PROPOSED ENTRANCE FEE AREAS

PARK	PROPOSED 87 FEE
GRAND PORTAGE NM	$1.50
HAMPTON NHS	$1.50
HARRY S TRUMAN NHS	$1.50
HERBERT HOOVER NHS	$1.50
HOMESTEAD NM OF AMERICA	$1.50
HORSESHOE BEND NMP	$1.50
JEFFERSON NAT'L EXPANS.MEM NHS *	$1.50
JOHN DAY FOSSIL BEDS NM	$1.50
JOHN F KENNEDY NHS	$1.50
KENNESAW MOUNTAIN NBP	$1.50
KINGS MOUNTAIN NMP	$1.50
LINCOLN BOYHOOD NMEM	$1.50
LINCOLN HOME NHS	$1.50
MANASSAS NBP	$1.50
MARTIN VAN BUREN NHS	$1.50
MINUTE MAN NHP *	$1.50
MOORES CREEK NB	$1.50
MORRISTOWN NHP *	$1.50
MOUND CITY GROUP NM	$1.50
NEZ PERCE NHP	$1.50
OCMULGEE NM	$1.50
PEA RIDGE NMP	$1.50
PECOS NM	$1.50
PERRY'S VICTORY & INT'L PEACE MEM	$1.50
PETERSBURG NB	$1.50
PICTURED ROCKS NL	$1.50
PU'UHONUA O HONAUNAU NHP	$1.50
RICHMOND NBP	$1.50
ROGER WILLIAMS NMEM	$1.50
RUSSELL CAVE NM	$1.50
SAGAMORE HILL NHS	$1.50
SALEM MARITIME NHS	$1.50
SALINAS NM	$1.50
SAN JUAN ISLAND NHP	$1.50
SAN JUAN NHS *	$1.50
SARATOGA NHP	$1.50
SAUGUS IRON WORKS NHS	$1.50
SHILOH NMP	$1.50
SLEEPING BEAR DUNES NL	$1.50
SPRINGFIELD ARMORY NHS	$1.50
STATUE OF LIBERTY NM	$1.50
STONES RIVER NB	$1.50
THEODORE ROOSEVELT BIRTHPLACE NHS	$1.50
THEODORE ROOSEVELT INAUGURAL NHS	$1.50
TUSKEGEE INSTITUTE NHS	$1.50
USS ARIZONA MEMORIAL	$1.50
VALLEY FORGE NHP *	$1.50
VANDERBILT MANSION NHS	$1.50
VICKSBURG NMP	$1.50
WASHINGTON MONUMENT	$1.50
WHITMAN MISSION NHS	$1.50
WILSON'S CREEK NB	$1.50
WOMEN'S RIGHTS NHP	$1.50
WRIGHT BROTHERS N MEM	$1.50

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11. Question: I understand that your legislation proposes changes that would enable volunteers, who are currently prohibited from collecting fees, to do so. Why then does your budget (pg. 162) assume such a large increase, $5 million, in fee collection activities? Could you provide for the record a list of the activities you are proposing to be funded from the fee collections and their current funding level.

Answer: In fiscal year 1986 the National Park Service will spend an estimated $6.1 million to collect entrance and user fees in 60 park areas. This amount includes the cost of personnel to staff entrance stations, kiosks, and information desks, equipment such as cash registers, collection boxes, and signs, as well as utilities, maintenance, and transportation. Similar expenses will be incurred at the 135 new fee areas under the proposed legislation. Although volunteers may be used in some areas, during certain periods, the Service anticipates that National Park Service employees will collect fees in most cases. In addition, the Service estimates that $2 - $3 million in start-up costs will be required to construct entrance stations, widen roads, provide vehicle turnoffs etc.

Illinois and Michigan Canal National Heritage Corridor Commission

12. Question: The FY 1987 request, like the FY 86 request, includes no funds for the administration of the Illinois and Michigan National Heritage Corridor Commission (I&M Canal Commission). Why are you requesting no funds for this item?

Answer: The Service believes budget priorities in other areas of the National Park System operations must take precedence over nonoperational programs. Private sources could be used to support the activities of the Commission for 1987. Congress appropriated $245,000 for fiscal year 1985 to support the Commission and another $248,000 for fiscal year 1986. Continuing funding for 1987 is not in the best interest of the Government in its effort to reduce Federal spending.

13. Question: Are you also requesting no funds for the performance of the Secretary's duties in FY 87?

Answer: No, the Service is requesting $313,000 in the "Operation of the National Park System" appropriation to comply with section 112 of Public Law 98-398, the act which established the park.

14. Question: Since its establishment, Congress has consistently provided funding for the I&M Canal Commission as authorized by the legislation (P.L. 98-398) establishing the corridor and the commission as passed by the Congress and signed by the President. Why then does the Administration persist each year in its efforts to eliminate funding for the commission despite strong and continuing Congressional support for it?

Answer: As previously stated, the Service believes that studies, planning, and other activities for new parks must be deferred or held to an absolute minimum in ensure that older, operational parks are provided with adequate funds to continue visitor and resource protection requirements during this period of budgetary constraint and deficit reduction.

15. Question: Is the Department planning to submit a request for a rescission of FY 86 appropriated funds provided for the administration and support of operations connected with the commission?

Answer: No, there are currently no plans to request a rescission of funds appropriated for the operation of the Commission for fiscal 1986.

16. Question: Did your original budget request submitted to OMB include funds for the administration of the I&M Canal Commission and the performance of the Secretary's duties. Please provide for the record the exact amounts required for these items as submitted to OMB.

Answer: Funds were not included in the Service's 1987 Budget Estimates to continue the activities of the Commission or to fund the Secretary's section 112 duties. The Service was instructed to base its 1987 Budget Estimates on the 1986 Budget Justification which, at the time, was still under consideration by Congress.

James A. Garfield National Historic Site

17. Question: Is there any money in the FY 1987 budget for the James A. Garfield Historic Site?

Answer: Due to higher priority projects, there are no funds in the fiscal year 1987 budget for the site.

18. Question: According to a letter to Congressman Dennis Eckart from the Park Service, a draft General Mangement Plan, which is still being finalized, makes a number of recommendations for necessary rehabilitation and repair at the site. As I understand it the Park Service estimates that $468,000 would be needed to address only the most critical work at the site, some of which pose a hazard not only to the building but to the public as well. Why then is there no money in your construction program to address these critical problems?

Answer: The top priority project, package 110, Restore Exterior/Provide Protective System, Historic Garfield Home, is included in the Service's 5-year Construction Program (Servicewide priority 319.0, tentatively scheduled for construction in fiscal year 1992). However, higher priority projects and budget restraints have prevented its funding.

19. Question: What is the estimate of what it will cost to complete all the rehabilitation work that is mentioned in the General Management Plan?

Answer: The estimate contained in the General Management Plan is $2,907,900.

20 Question: Considering the National Park Service inventory conducted in 1971 of major buildings, sites, and memorials associated with Presidents which identified Lawnfield as the best existing site associated with President Garfield, shouldn't these repairs be made?

Answer: Yes, repairs do need to be made to structures at the site. However, the main house and carriage barn, which are in critical need of repair, are not owned by the National Park Service. Therefore, no Federal funds other than those which are specifically appropriated for the purpose may be used or specific authority must be received to allow expenditure of Federal funds on non-National Park Service owned facilities. The Service can only acquire the buildings through donation by the Western Reserve Historical Society. The Western Reserve Historical Society will not turn the properties over to us until funds are appropriated for the restoration of the exterior of the main house (package 110). In addition, the Western Reserve Historical Society, in view of imminent Federal acquisition, does not want to use their funds to repair the buildings.

The tenant house, the principal outbuilding, is owned by the National Park Service, and fiscal year 1985 cyclic maintenance funds were used to stabilize the structure. The exterior stabilization of the other outbuildings which we own is tentatively scheduled for fiscal year 1986 in the Cyclic Maintenance Program.

21. Question: In testimony earlier today there was some talk about private sector involvement in what sounded like a similar situation. Is the local community involved at all to your knowledge at Garfield?

Answer: In the future, the Western Reserve Historical Society (a private nonprofit organization) will staff and operate the site. The National Park Service will be responsible for cyclic maintenance and capital development. A cooperative agreement with the society will be signed when the National Park Service provides funding for the initial stabilization of the Garfield Home. The local community has been involved in all planning to date.

Electronic Surveillance

22. Question: A recent Jack Anderson column in the Post, "Bugging the Great Outdoors," discussed the use of electronic surveillance technologies by the Park Service and Fish and Wildlife Service, among others. Could you comment on the need for these devices in the parks.

Answer: The National Park Service uses various types of electronic surveillance equipment as part of program activities related to resource management, resource protection, physical security of facilities, and law enforcement. For example, in some park areas, radio transmitters and tracking devices are used for scientific studies of the movement and behavior patterns of certain wildlife species; seismological equipment is installed in several park areas to monitor earthquake and volcanic activity; in some areas, remote sensing devices are used to detect plundering activities in isolated archaeological sites; fire and intrusion detection and alarm equipment is used routinely to protect National Park Service structures, facilities, and collections of archaeological and historic objects; and various types of equipment are used on a limited basis in conjunction with law enforcement activities carried out to protect park resources and to assure the safety of park visitors and the protection of their property.

U.S. Park Police Helicopter Program

23. Question: Last year during the debate on the Interior Appropriations bill, the problem of the Park Police Aviation aircraft came out. Are these aircraft in fact outdated?

Answer: The U.S. Park Police currently has operational two aircraft. Both are Bell 206L Long Ranger helicopters designated as Eagle I and Eagle II. They were originally acquired on July 1, 1983, and September 17, 1979, respectively. Based on current utilization data and replacement schedule, Eagle II, the older of the aircraft, will be due for replacement during the fiscal year 1989, with Eagle I following in fiscal year 1991. While these aircraft cannot be considered "outdated," they do have a limited operating capability which significantly reduces the margin of safety and places limitations on the aircraft, particularly during over-water operations such as river rescues.

24. Question: Are the aircraft currently being used by the Park Police single-engine?

Answer: Both helicopters currently in use are powered by a single jet-turbine engine.

25. Question: What would the cost be of replacing the current single engine aircraft with twin engine helicopters?

Answer: A twin engine helicopter equipped for the mission profile of the U.S. Park Police, such as the Bell 222UT model, would involve an initial expenditure of approximately $1.5 million for the aircraft and attendant equipment and electronics. Operating expenses for such an aircraft would total approximately $200,000 per year, including expenses for jet fuel, lubrications, and maintenance.

26. Question: Could some of the cost be offset by selling the present aircraft?

Answer: Helicopters of the type currently utilized by the U.S. Park Police are also in wide usage in the private sector. Estimates of residual value of the current aircraft at time of retirement from police duties are in the $200,000 to $300,000 range. Special legislation would be required in order to allow the Park Police to dispose of these aircraft through sale rather than through normal disposal channels, with provisions included to allow for the application of funds thus received to offset the cost of a replacement aircraft.

Geographic Information

27. Question: Last year in response to a question I asked concerning the Park Service use of geographic information you indicated that you believe the Park Service could make use of side-looking airborne radar technology. Have you? For the record could you elaborate on potential Park Service applications of this technology?

Answer: Side-looking airborne radar technology has been shown to be especially useful to earth scientists in petroleum exploration, mineral detection, and imaging of geologic structure. The Park Service is not involved in conducting these types of studies, nor is it able to conduct the necessary research to develop further applications of side-looking airborne radar technology. As more testing is accomplished and further uses perfected for this technology, the Park Service may adopt its use on a regular basis, particularly in Alaska or other areas where side-looking airborne radar cloud penetration capabilities are valuable. Its use as an interpretive tool to illustrate a park's regional geomorphologic setting could also be beneficial.

The future of side-looking airborne radar use in Park Service Geographic Information Systems is unclear at this time due to (1) our current success in efficiently producing resource maps with other forms of data, (2) the cost of obtaining high resolution SLAR data compared with other available data sources, and (3) the difficulty in accurate geographical referencing of all types of aircraft digital data (including side-looking airborne radar data) required for incorporation in a Geographic Information System.

Concessions Management

28. Question: Is there any oversight of the prices charged by concessionaires in gift shops for example? I notice in your budget (pg. 31) you say that the Concessions Management Program assures that rates are comparable with those charged in the private sector and provides uniformity among parks. However, I heard of an instance last summer where a roll of film cost almost $7 in the Grand Tetons. That same roll could be purchased here for less than half that cost.

Answer: The National Park Service has a very extensive price approval program for all the rates charged visitors by concessioners, including gift shop items. This process is called the comparability rate approval program and its general direction is spelled out in Public Law 89-249, the Concessions Policy Act, section 3(c) as follows:

> "The reasonableness of a concessioner's rates and charges to the public shall, unless otherwise provided in the contract, be judged primarily by comparison with those current for facilities and services of comparable character under similar conditions, with due consideration for length of season, provision for peakloads, average percentage of occupancy, accessibility, availability and costs of labor and materials, type of patronage, and other factors deemed significant by the Secretary."

When we look at the requests of the concessioners to charge a certain amount, we look at similar operations outside of the immediate park area, or if none are available there, we go to facilities that are situated in as nearly a similar setting at the park as possible so that all associated costs of doing business are similar.

We did comparability checks for a roll of Ektachrome color slide 36 exposure film and found prices in Jackson, Wyoming to be $7.59 and $7.30 a roll respectively. This compares to $7.34 for the same roll of film at a concessions operation in Grand Teton National Park.

Normally, concessioners, because they are in remote locations, have to pay extra for the suppliers to deliver to them. Yes, in downtown Washington, D.C., where the stores are open year round and suppliers are bidding against each other to supply local businesses, film is considerably cheaper to purchase. In fact, the price of the same roll of Ektachrome color slide 36 exposure film is $5.89 at a local discount store on "K" Street.

National Parks

29. Question: An article in the New York Times "Conservationists vs. National Park Visitors" addresses a concern that I have had for some time. According to the article certain conservation groups in an effort to protect the parks are in fact recommending some very exclusionary proposals that could limit park use to the back packers. I quote from the conclusion of the article with which I agree and would ask you to comment on your philosophy: "In the final analysis, national parks that do not provide for the use and enjoyment of many diverse Americans are not national parks at all."

Answer: We agree in principle with the general tone of the quote. As you are aware, our congressional mandate requires us to preserve park resources, yet make them available for the enjoyment of the people. Preservation and use is a difficult concept, in reality, to practice. We do not accept the argument that national park areas should cater to every recreational whim of mankind. To do so would subject the parks to certain and irrevocable harm. A use allowed in one park would not necessarily be permitted in another park. Our philosophy is to allow those controlled visitor uses that are compatible with park values and that do not result in degradation of park resources. This management philosophy, which is based on the Service's statutory mission, often coincides more closely with the interests of conservation organizations than with the objectives of some recreational interest groups.

External Threats to the Parks

30. Question: I have read a great deal about the concern over external threats to the parks, i.e. pollution, mineral leasing activities, development, which occur outside the parks. While I can appreciate the problem, I am concerned about where this all could end. If we establish a park buffer zone then do we worry about threats outside the buffer? Could you comment on this Mr. Mott?

Answer: The National Park Service has not supported the concept of establishing arbitrary buffer zones around parks. Rather, it is our position that external threats need to be resolved on a case-by-case basis. In many situations, the external action of concern does occur in near proximity to the park boundary. However, other human actions that may impact park resources, such as air pollution and water quality/quantity changes, originate at long distances from the parks. The Service's current strategy for dealing with external threats is to become more involved in cooperative, local and Regional planning and management efforts, working to identify and avoid conflicts wherever possible, and working to develop mutually satisfactory mitigation measures when necessary.

Land Acquisition

31. Question: For the record, please provide the subcommittee with a breakdown of your land acquisition priorities at a $25 million, $50 million, $75 million and $100 million funding level.

Answer: The land acquisition priorities for the National Park Service are as follows:

Area	$25M Level	$50M Level	$75M Level	$100M Level
Acquisition Management	7,000,000	7,000,000	7,000,000	7,000,000
Deficiencies & Relocation	5,000,000	5,000,000	5,000,000	5,000,000
Emergencies & Hardships (Recently Authorized Areas)	2,000,000	2,000,000	2,000,000	2,000,000
Inholdings	4,000,000	4,000,000	4,000,000	6,000,000
Appalachian Trail	4,000,000	7,000,000	7,000,000	7,000,000
Mound City Group NM	1,000,000	1,000,000	1,000,000	1,000,000
Delaware Water Gap NRA	2,000,000	3,000,000	3,000,000	3,000,000
Big Thicket NPres	0	2,000,000	3,850,000	3,850,000
Sequoia NP (Mineral King)	0	1,000,000	1,000,000	1,000,000
Grant-Kohrs Ranch NHS	0	500,000	500,000	500,000
Alaskan Areas	0	1,000,000	3,000,000	3,000,000
Cuyahoga Valley NRA	0	4,500,000	4,500,000	4,500,000
Big Cypress NPres	0	500,000	500,000	500,000
War in the Pacific NHP	0	1,000,000	1,000,000	1,000,000
Antietam NB	0	500,000	1,000,000	1,000,000
Golden Gate NRA	0	1,500,000	3,000,000	3,000,000
Golden Spike NHS	0	250,000	250,000	250,000
New River Gorge NRA	0	2,000,000	2,000,000	4,000,000
Voyageurs NP	0	1,000,000	1,000,000	3,000,000
Sleeping Bear Dunes NL	0	1,217,000	1,217,000	1,217,000
Chattahoochee River NRA	0	2,000,000	2,000,000	6,000,000
Ebey's Landing NHReserve	0	79,000	79,000	79,000
Lake Chelan NRA	0	750,000	750,000	750,000
Gulf Islands NS	0	500,000	500,000	500,000
Saratoga NHP	0	204,000	204,000	204,000
St. Croix NSR	0	500,000	1,000,000	1,000,000
Santa Monica Mountains NRA	0	0	13,650,000	17,150,000
Virgin Islands NP	0	0	3,000,000	3,000,000
Point Reyes NS	0	0	2,000,000	2,000,000
Channel Islands NP	0	0	0	10,000,000
Manassas NBP	0	0	0	1,500,000
Grand Total	$ 25,000,000	$ 50,000,000	$ 75,000,000	$ 100,000,000

32. Question: For the past two years this subcommittee has provided land acquisition money for Mound City. The funding, however, has not survived the conference. I believe you have visited this area Mr. Mott, could you tell the subcommittee why funding for land acquisition is needed in this area?

Answer: There are two private tracts at Mound City Group National Monument. The land is presently being used for farming and continued plowing is damaging the archeological resources consisting of a large prehistoric Hopewell Indian ceremonial center. A portion of one tract is also threatened with development of an apartment complex. In addition, both tracts contain sand and gravel deposits that could be developed commercially, and there is an indication that the owners are contemplating such development. These threats to the resources make this area one of our highest acquisition priorities.

33. Question: Mr. Mott you are noted for your innovative ideas on park management. Given the current budget constraints and the likelihood that they will persist for some time, have you considered any alternative to outright land acquisition in parks. What would your reaction be to trying to leverage federal dollars with a matching requirement?

Answer: Yes, alternatives to outright land acquisition are being considered. In fact, the second point of my 12-point plan reaffirms our commitment to land protection and advocates the use of both fee and less-than-fee alternatives. The idea of a matching requirement is an interesting one but in case of Federal land purchases there is no entity on which the Federal Government could impose such a requirement.

Operation of the National Parks

Impact of Gramm-Rudman on Park Operations

34. Question: Your budget justification concerning the impact of the Gramm-Rudman cuts (pg. 42) under Visitor Protection and Safety says that although there will be a reduced frequency of patrol, protection of the park visitor and park resources will remain a top priority and continue to be accomplished at an "adequate level." What do you consider an adequate level?

Answer: It is established National Park Service policy that the saving and safeguarding of human life takes precedence over all other park management activities, and that visitor impact on resources will be regulated, when necessary, to meet the Service mandate to preserve the scenery and the natural and historic objects and the wildlife of the parks. An "adequate level" of protection, consequently, is one wherein human life and park resources are sufficiently protected from serious threats. Although Gramm-Rudman will necessarily lead to reductions in the levels of certain services provided, the National Park Service will augment regular, preventive patrols with a heightened reactive posture, thereby assuring immediate, adequate responses to such threats as they occur.

Visitor and Employee Safety

35. The budget goes on to say that "Whenever possible, reductions will be taken in areas where the direct safety of the visiting public and park employees will not be jeopardized." Are the Gramm-Rudman cuts forcing you to jeopardize visitor and employees safety in any areas?

Answer: The Service, in taking the Gramm-Rudman-Hollings cuts, has initiated reductions in areas which will not affect public or employee health and safety. After carefully assessing the health and safety implications of the across-the-board cuts mandated by Gramm-Rudman, the Service intends to reprogram funds to ensure the safety of visitors and park staff.

Visitor Protection and Safety

36. Question: Your FY 87 budget will cut Visitor Protection and Safety by almost $6 million. In light of your own admission (pg. 42) that the increased visitation is putting increased pressure on ensuring safety how can you justify this cut?

Answer: Total funding requested for the Visitor Protection and Safety subactivity represents an increase rather than a decrease in fiscal year 1987. The transfer of $6.1 million for fee collection costs to the "Operation of the National Park System--Fee Programs" appropriation proposed for fiscal year 1987 accounts for the appearance of a reduction. When funds from both appropriations are taken into account, the proposed fiscal year 1987 funding level for visitor protection and safety activities show an increase of $5.3 million from the fiscal year 1986 level.

Natural Resources

37. Question: According to your budget (pg. 55) Gramm-Rudman cuts are forcing postponement of certain high priority natural resource activities. Have you considered reprogramming from other areas to avoid impacting certain high priority areas?

Answer: The National Park Service is in the process of reprogramming funds from other areas to cover high priority items and to avoid unacceptable impacts on park resources and visitors due to the mandated Gramm-Rudman-Hollings reductions. Foremost among the impacts that will be mitigated through reprogramming actions are those which pose a definite threat to visitor and employee health and safety. Although the need to reduce the spiraling Federal deficit has made hard choices unavoidable, the Service is examining the alternatives available to ensure that responsible management decisions have been reached which will minimize the impacts on park visitors and resources. If the eliminated or diminished activity is judged to be of a sufficiently high priority, action will be taken in the form of reprogramming of funds to mitigate the effect of the reduction.

Air Quality

38. Question: Under the Clean Air Act the Park Service is responsible for protecting air quality in certain parks. In the event that you determine air quality is deteriorating what authority do you have to deal with the problem?

Answer: The Department's authority to protect air quality was discussed at the May 20-21, 1985, hearing on air pollution effects on units of the National Park System, conducted by the Subcommittee on National Parks and Recreation of the House Committee on Interior and Insular Affairs. Copies of the memorandum analyzing the legal authority have been submitted to the Committee separately.

Mineral Development

39. Question: Provide for the record a list of the 33 National Park units that currently have mineral development activities and how long these activities have been ongoing.

Answer: Since the Fiscal Year 1987 budget justification statement was prepared, the National Park Service has updated its list of parks that have ongoing mineral development activities occurring within their boundaries. At this time, active mineral development is occurring in the 28 units of the National Park System listed below. The number of years that mineral development activities have been occurring within these units varies from park-to-park and with the particular development in question. In some of these parks, mineral development activity predates the establishment of the units while in other parks, mineral development did not commence until after the units became part of the National Park System. To date, the National Park Service has not tabulated data on the duration of mineral development activity in parks in a central data file. Thus, this data is not available.

28 Park Units with Active Internal Mineral Development*

Units with Hardrock Activity

Bering Land Bridge (AK)
Death Valley (CA/NV)
Denali (AK)
Gates of the Arctic (AK)
Glacier Bay (AK)
Kenai Fjords (AK)
Lake Clark (AK)
Lake Mead (AZ/NV)
Whiskeytown (CA)
Wrangell-St. Elias (AK)
Yukon-Charley Rivers (AK)

Units with Oil and Gas Activity

Alibates (TX)
Aztec Ruins (NM)
Big Cypress (FL)

Units with Mineral Material Activity

Bighorn Canyon (MT/WY)
Chattahoochee River (GA)
Curecanti (CO)
Cuyahoga Valley (OH)
Fort Laramie (WY)
Glen Canyon (UT/AZ)
Hot Springs (AR)
Point Reyes (CA)

Units with Oil and Gas Activity (Continued)

Big South Fork (KY/TN)
Big Thicket (TX)
Cuyahoga Valley (OH)
Lake Meredith (TX)
Natchez Trace (MS/TN/AL)
Padre Island (TX)
Theodore Roosevelt (ND)

* PLEASE NOTE: Cuyahoga Valley appears under more than one subcategory. Thus, the total number of units with active internal mineral development is not derived from adding the total number of units under each individual subcategory.

40. Question: Your budget justification (pg. 65) says an additional 50 park units could be adversely affected by mineral development in the near future. For the record provide a list of these 50 units.

Answer: Since the 1987 budget justification statement was prepared, the National Park Service has updated its data base on ongoing and near-term potential mineral development activities inside and adjacent to park units. While the Service's data base does indicate which parks have or could have mineral development activities in or near their boundaries, it does not as of yet indicate whether the presence of a mineral development activity results or could result in significant adverse impacts on park resurces and values. Thus, one cannot assume that because a park unit is indentified as having a particular mineral development activity occurring within or adjacent to its boundary that the park is being significantly adversely affected by that activity. On a case-by-case basis, the Service is currently evaluating the impacts associated with different types of mineral development activities inside and adjacent to park units in order to determine if they result or could result in significant adverse impacts. If an activity is determined to likely result in significant adverse impacts to a park unit, the Service will employ all the remedies at its disposal to protect park resources and values. In addition to the remedies available to the Service, the Secretary of the Interior is committed to using his authorities to protect units of the National Park System. It is the stated position of the Secretary that the least sensitive areas should be developed first and that Federal lands will not be leased for mineral development if significant adverse impacts to park resources and values would result from subsequent mineral development.

Mineral development activities currently occur or could occur in or near a total of 149 units of the National Park System. Current data shows that active mineral development occurs in 28 units and potentially could occur in the near-term in 69 units (see list 1). Also, our data indicates that 103 units have mineral development activities occurring within 15 miles of their boundaries (see list 2). Additional mineral development activities could occur outside 73 units in the near-term (see list 3). The following chart summarizes the number of units with active or potential mineral development activities in or near park boundaries. The list is broken down according to the particular mineral being developed.

Mineral Development in and Adjacent to National Park Service Units*
(Number of Units Affected)

	Internal Development		External Development (within 15 miles of park)	
	Active	Potential	Active	Potential
Hardrock	11	34	31	23
Oil and Gas	10	31	43	35
Mineral Materials	8	12	34	14
Coal	0	14	19	14
Geothermal	0	0	2	8

* PLEASE NOTE: The numbers in this chart are not additive within or across columns. A unit may be present in more than one column and under more than one mineral category (e.g., Arches National Park appears in the internal development potential column under hardrock and oil and gas and also in the external development active and potential columns).

69 PARK UNITS WITH POTENTIAL INTERNAL MINERAL DEVELOPMENT *

Park Units With Potential Internal Hardrock Activity

Arches (UT)
Badlands (SD)
Big Bend (TX)
Bighorn Canyon (MT/WY)
Canyonlands (UT)
Capitol Reef (UT)
Chaco Culture (NM)
Chiricahua (AZ)
Coronado (AZ)
Cumberland Island (GA)
Curecanti (CO)
Fossil Butte (WY)
Glen Canyon (UT/AZ)
Golden Gate (CA)
Grand Canyon (AZ)
John D. Rockefeller (WY)
Joshua Tree (CA)
Katmai (AK)
Kings Canyon (CA)
Mesa Verde (CO)
Montezuma's Castle (AZ)
Mount Rainier (WA)
North Cascades (WA)
Organ Pipe Cactus (AZ)
Ozark (MO)
Pictured Rocks (MI)
Redwood (CA)
Saint Croix (WI/MN)
Saguaro (AZ)
Sequoia (CA)
Tuzigoot (AZ)
Voyageurs (MN)
Yosemite (CA)
Zion (UT)

Park Units With Potential Internal Oil and Gas Activity

Agate Fossil Beds (NE)
Arches (UT)
Bighorn Canyon (MT/WY)
Bryce Canyon (UT)
Capitol Reef (UT)
Carlsbad (NM)
Chaco Culture (NM)
Channel Islands (CA)

* PLEASE NOTE: Several units appear under more than one subcategory. Thus, the total number of units with potential internal mineral development is not derived from adding the total number of units under each individual subcategory.

Oil and Gas, continued

Chesapeake and Ohio Canal (MD/DC/WV)
Chiricahua (AZ)
Coulee Dam (WA)
Dinosaur (CO/UT)
Fort Laramie (WY)
Fort Necessity (PA)
Fort Union Trading Post (ND/MT)
Fossil Butte (WY)
Glacier (MT)
Glen Canyon (UT/AZ)
Golden Spike (UT)
Grand Teton (WY)
Guadalupe Mountains (TX)
Gulf Islands (FL/MS)
Jean Lafitte (LA)
Lake Mead (AZ/NV)
New River Gorge (WV)
Obed (TN)
Russell Cave (AL)
Saint Croix (WI/MN)
Santa Monica Mountains (CA)
Saratoga (NY)
Zion (UT)

Park Units With Potential Internal Mineral Materials (Sand & Gravel) Activity

Acadia (ME)
Alibates (TX)
Badlands (SD)
Bents Old Fort (CO)
Big Bend (TX)
Death Valley (CA/NV)
Delaware Water Gap (NJ/PA)
Pictured Rocks (MI)
Ross Lake (WA)
Saint Croix (WI/MN)
Salinas (NM)
Tuzigoot (AZ)

Park Units With Potential Internal Coal Activity

Bandelier (NM)
Big Bend (TX)
Big South Fork (KY/TN)
Canyonlands (UT)
Capitol Reef (UT)
Chaco Culture (NM)
Florissant Fossil Beds (CO)
Fort Necessity (PA)
Friendship Hill (PA)
Knife River Indian Village (ND)
New River Gorge (WV)
Obed (TN)
Theodore Roosevelt (ND)
Zion (UT)

103 PARK UNITS WITH NEARBY ACTIVE EXTERNAL MINERAL DEVELOPMENT *

Park Units With Active By External Hardrock Activity

Andersonville (GA)
Arches (UT)
Bering Land Bridge (AK)
Bighorn Canyon (MT/WY)
Canyonlands (UT)
Curecanti (CO)
Death Valley (CA/NV)
Denali (AK)
Gates of the Arctic (AK)
Glen Canyon (UT/AZ)
Grand Canyon (AZ)
Grand Teton (WY)
Joshua Tree (CA)
Kings Mountain (SC)
Lake Clark (AK)
Lake Mead (AZ/NV)
Mesa Verde (CO)
Mount Rushmore (SD)
Organ Pipe Cactus (AZ)
Ozark (MO)
Redwood (CA)
Salinas (NM)
Timpanogos Cave (UT)
Whiskeytown (CA)
Wind Cave (SD)
Wrangell-St. Elias (AK)
Yellowstone (WY/MT/ID)
Yosemite (CA)
Yucca House (CO)
Yukon-Charley (AK)
Zion (UT)

Park Units With Active By External Oil and Gas Activity

Alibates (TX)
Arches (UT)
Bents Old Fort (CO)
Big Cypress (FL)
Big South Fork (KY/TN)
Big Thicket (TX)
Bryce Canyon (UT)
Canyonlands (UT)
Cape Cod (MA)
Carlsbad (NM)
Chaco Culture (NM)

* PLEASE NOTE: Several units appear under more than one subcategory. Thus, the total number of units with nearby active external mineral development is not derived from adding the total number of units under each individual subcategory.

Oil and Gas, Continued

Channel Islands (CA)
Chickasaw (OK)
Colorado NM (CO)
Cuyahoga Valley (OH)
Dinosaur (CO/UT)
Everglades (FL)
Fire Island (NY)
Fort Necessity (PA)
Fort Smith (AR)
Fort Union Trading Post (ND/MT)
Fossil Butte (WY)
Friendship Hill (PA)
Gateway (NY/NJ)
Glacier (MT)
Golden Gate (CA)
Golden Spike (UT)
Grand Teton (WY)
Guadalupe Mountains (TX)
Hovenweep (CO/UT)
Jean Lafitte (LA)
Lake Meredith (TX)
Mammoth Cave (KY)
Mesa Verde (CO)
Natchez Trace (MS/TN/AL)
Obed (TN)
Padre Island (TX)
Saint Croix (WI/MN)
San Antonio Mission (TX)
Santa Monica Mountains (CA)
Theodore Roosevelt (ND)
Yucca House (CO)
Zion (UT)

Park Units With Active External Mineral Materials Activity

Acadia (ME)
Appomattox Court House (VA)
Biscayne (FL)
Blue Ridge (NC/VA)
Cape Cod (MA)
Chatahoochee River (GA)
Chesapeake & Ohio Canal (MD/DC/WV)
Chickamauga/Chattanooga (GA/TN)
Colorado NM (CO)
Congaree Swamp (SC)
Cumberland Island (KY/TN)
Delaware Water Gap (NJ/PA)
Gettysburg (PA)
Harpers Ferry (MD/WV)
Homestead (NE)
Hot Springs (AR)
Indiana Dunes (IN)

Mineral Materials, Continued

Kings Mountain (SC)
Manassas (VA)
Mesa Verde (CO)
National Capital Parks (MD/DC)
Ozark (MO)
Redwood (CA)
Saint Croix (WI/MN)
Shenandoah (VA)
Shiloh (TN)
Sleeping Bear Dunes (MI)
Sunset Crater (AZ)
Timpanogos Cave (UT)
Tuzigoot (AZ)
Upper Delaware (NY/PA)
Voyageurs (MN)
Wind Cave (SD)
Wupatki (AZ)

Park Units With Active By External Coal Activity

Allegany Portage (PA)
Big South Fork (KY/TN)
Black Canyon of the Gunnison (CO)
Canyon de Chelley (AZ)
Denali (AK)
Dinosaur (CO/UT)
Fort Necessity (PA)
Fossil Butte (WY)
Friendship Hill (PA)
Glen Canyon (AZ/UT)
Hovenweep (CO/UT)
Knife River (ND)
Lincoln Boyhood (IN)
Navajo (AZ)
New River Gorge (WV)
Obed (TN)
Russell Cave (AL)
Yucca House (CO)
Zion (UT)

Park Units With Active By External Geothermal Activity

Bandelier (NM)
Hawaii Volcanoes (HI)

73 PARK UNITS WITH NEARBY POTENTIAL EXTERNAL MINERAL DEVELOPMENT *

Park Units With Potential External Hardrock Activity

Agate Fossil Beds (NE)
Badlands (SD)
Big Bend (TX)
Canaveral (FL)
Cape Krusenstern (AK)
Chaco Culture (NM)
Chiricahua (AZ)
Coronado (AZ)
Dinosaur (CO/UT)
Fort Pulaski (GA)
Fredericksburg/Spotsylvania (VA)
George Washington Carver (MT)
Glacier Bay (AK)
Hovenweep (CO/UT)
Kenai Fjords (AK)
Montezuma's Castle (AZ)
Natural Bridges (UT)
Noatak (AK)
Pictured Rocks (MI)
Saguaro (AZ)
Shenandoah (VA)
Voyageurs (MN)
Wupatki (AZ)

Park Units With Potential External Oil and Gas Activity

Agate Fossil Beds (NE)
Aniakchak (AK)
Apostle Islands (WI)
Big Hole (MT)
Cape Hatteras (NC)
Cape Lookout (NC)
Capitol Reef (UT)
Cedar Breaks (UT)
Chesapeake & Ohio Canal (MD/DC/WV)
Death Valley (CA/NV)
Delaware Water Gap (NJ/PA)
Denali (AK)
Fort Laramie (WY)
Fort Union (NM)
Gates of the Arctic (AK)
Glen Canyon (UT/AZ)
Gulf Islands (FL/MS)
John D. Rockefeller (WY)
Katmai (AK)

* PLEASE NOTE: Several units appear under more than one subcategory. Thus, the total number of units with potential external mineral development is not derived from adding the total number of units under each individual subcategory.

Oil and Gas, Continued

Knife River (ND)
Lake Clark (AK)
Lava Beds (CA)
Natural Bridges (UT)
Pinnacles (CA)
Point Reyes (CA)
Redwood (CA)
Salinas (NM)
Saratoga (NY)
Scotts Bluff (NE)
Shenandoah (VA)
Sleeping Bear (MI)
Upper Delaware (NY/PA)
Yellowstone (WY/MT/ID)
Yukon-Charley (AK)
Wupatki (AZ)

Park Units With Potential External Mineral Materials Activity

Alibates (TX)
Big Cypress (FL)
Cumberland Gap (KY/VA/TN)
Cuyahoga Valley (OH)
Eisenhower (PA)
Fort Donnelson (TN)
Friendship Hill (PA)
Gateway (NY/NJ)
Katmai (AK)
Montezuma's Castle (AZ)
Pictured Rocks (MI)
Salinas (NM)
Saratoga (NY)
Theodore Roosevelt (ND)

Park Units With Potential External Coal Acitivity

Bryce Canyon (UT)
Capitol Reef (UT)
Cedar Breaks (UT)
Chaco Culture (NM)
Cumberland Gap (KY/VA/TN)
Glacier (MT)
John D. Rockefeller (WY)
Lake Clark (AK)
Lava Beds (CA)
Mesa Verde (CO)
Theodore Roosevelt (ND)
Wrangell-St. Elias (AK)
Yukon-Charley (AK)
Zion (UT)

Park Units With Potential External Geothermal Activity

Bandelier (NM)
Haleakala (HA)
Hawaii Volcanoes (HA)
Lassen Volcanic (CA)
Lava Beds (CA)
Wupatki (AZ)
Yellowstone (WY/MT/ID)
Yosemite (CA)

Volunteers-in-Parks Program

41. Question: According to your budget justification (pg. 79) the Volunteers in the Parks program produces approximately $22 worth of voluntary work for every dollar spent on the program. Why then are you requesting no funding for FY 87?

Answer: The Volunteers-in-Parks Program will be funded through the "Operation of the National Park System-Fees Program" appropriation. In addition to the base program level of $487,000, the Service is requesting an increase of $503,000 for fiscal year 1987 to be funded from the higher level of fee revenue.

Construction

Yosemite Employee Housing Construction

42. Question: Looking at your construction program, I am curious about your estimate to provide 34 dwelling units in six buildings in Yosemite. Your estimate for this activity works out to $87,794 per unit, 17 or half, of which are efficiency units. Could you explain why the cost per unit is so high?

Answer: The unit housing costs reflect a number of unique factors which increase costs over that expected in a normal city situation. Some of the factors involved are:

1. Remote location, creating increased labor and material costs.
2. Government procurement laws, such as Davis-Bacon, which increase costs over private, non-union construction.
3. Difficult site conditions, characterized by the lack of flat, easily buildable land in El Portal. Utilities, roads, and parking areas must be provided.
4. Landscaping and community areas will be provided.
5. Energy efficient construction, which adds to costs because of building orientation, thicker walls, and solar collectors.
6. Tight construction schedule, requiring a maximum effort from the contractor in order to provide badly needed housing as quickly as possible.
7. Full-time construction inspection, to insure that the taxpayers get full value and quality during construction.

In addition, extensive archeological investigation of the proposed site and revised management requirements have resulted in some recent project adjustments:

1. The six buildings have been reduced to three large structures in order to avoid prehistoric Native-American artifacts.

2. The efficiency units have been eliminated in favor of more one and two-bedroom units. This will result in more flexibility in making maximum use of available housing, since the park needs the flexibility to put unrelated people or a family in the same unit. The revised proposal will result in 12 one-bedroom and 12 two-bedroom units, providing 36 bedrooms, compared to 35 bedrooms in the original proposal. The total square footage and estimated cost remain the same. This will increase the average cost per unit, but the cost per square foot will remain essentially the same.

Cuyahoga Valley National Recreation Area

43. Question: What is the Department's policy concerning getting involved in local litigation, the outcome of which could affect proposed development in a National Park? I ask this question because there is currently ongoing litigation between the city of Independence in the Cuyahoga Valley National Recreation Area and a developer concerning a proposed landfill. It is my understanding that such a landfill within the park would be contrary to park policies, yet the Park Service has been reluctant to get involved in the litigation. Why is that?

Answer: The National Park Service has opposed the issuance of a landfill permit since such action was proposed. Park personnel have testified in opposition to the permit in hearings before the Ohio Environmental Protection Agency.

Since the operation of a landfill would have a tremendous impact on the city of Independence, the city has brought suit against the Director of the Ohio Environmental Protection Agency and the permittee. The National Park Service did not join the city in this suit. In addition, upon advice of the Solicitor's Office, an amicus curiae brief in support of the city's petition for a writ of certiorari to the United States Supreme Court was not filed.

The Solicitor's Office is concerned that any action in opposition to the permit could involve the National Park Service in an inverse taking issue that could force the Service to pay substantial sums of money to acquire the property.

In February, Regional Director Odegaard wrote to Mr. Warren E. Tyler, Director of the Ohio Environmental Protection Agency, to express our concerns, as a neighboring landowner, to the granting of a permit for the landfill. The letter stated that not only the Service, but the Congress, by enacting Public Law 98-506, had expressed its concerns by establishing a national policy against the installation of sanitary landfills within units of the National Park System.

It is our understanding that there is pending before the Ohio legislature a bill that would prevent the operation of landfills in any State or Federal park within the State of Ohio. This pending legislation is retroactive and would address the situation at Cuyahoga. Understandably, the permittee has lobbied extensively against the retroactive provision of the bill.

The National Park Service is very concerned about park resources and the action taken by the Ohio Environmental Protection Agency. Such steps as are necessary to protect the interests of the United States will be taken. We have and will continue to express our opposition in such a way as to avoid any incidents that would give rise to an inverse condemnation situation.

Fee Collection

44. Question: Concerning fees, I am pleased to hear about your new proposal for collecting fees within the National Parks. I have long been a proponent of increasing the fees and from what I understand you appear to have a reasonable proposal. I was appalled, however, to learn that you propose to freeze the already all too low grazing fees. This appears totally inconsistent with the Administration's policies on user fees as well as the pressing need to reduce the deficit. How can this be justified?

Answer: The President, after weighing many factors, decided to extend the legislatively established grazing fee formula with the minimum fee of $1.35 per AUM. The grazing fee formula established by the Public Rangeland Improvement Act of 1978 is designed to take into account changes in market conditions.

Considering current beef prices and costs of production, the grazing fee as determined by the formula would be $1.01 per AUM in 1986 without the President's extension of the fee ($1.35).

The President's decision to maintain the current fee formula beyond December 31, 1985, and establish a $1.35 per AUM floor comes at a time when the western ranching industry is facing pronounced economic hardship. Continuation of the formula will allow for increased returns to the Federal Government when the economic condition of the industry improves.

Proposed Fee Legislation

45. Question: Assuming enactment of the fee legislation, what would you intend to do if the fees fall short or exceeded the amount of revenue your budget assumes will be generated?

Answer: The revenue projections from the entrance fee proposal presented in the fiscal 1987 budget are conservative and should be attainable. However, if the projected receipts are lower than estimated, a priority system will go into effect detailing which programs will face curtailment. These are programs which are funded through the "Fee Program" account. The priority system is:

Priority	Program	Amount ($ in thousands)
1	Fee Collection Activities	$11,121
2	Visitor Transportation Systems	4,002
3	Informational Publications	3,400
4	Cultural/Natural Resource Preservation	12,164
5	Exhibit Rehabilitation Program	3,962
6	Volunteers-in-Parks Program	990
7	Enhanced Park Operations Program	14,207
8	Maintenance Repair and Rehabilitation	9,154
	Total	$59,000

The priority system acknowledges the importance of funding user oriented and labor intensive activities and that research and enhanced programs could be temporarily deferred without having a major impact.

If revenue exceeds the amount budgeted, the Service would first have to request an obligation. The Service would augment the amount available for enhanced park operations. These funds would be used for interpretation, resources management, and visitor services in the parks.

Maintenance Management

46. Question: Last year you discussed your maintenance management plan for the parks with the subcommittee. Could you tell the subcommittee what is the state of the parks and does your budget continue to ensure that maintenance needs will be addressed in a timely fashion?

Answer: The implementation of maintenance management throughout the National Park System will provide each park area with a complete assessment of their maintenance requirements, and a plan for the most efficient and effective method of accomplishing the highest priority requirements within available funds and with available staff.

Maintenance management will substantially change the management of all National Park Service maintenance activities so as to better assure that park facilities receive essential maintenance and preservation. It will also identify major deficiencies so that the annual report required by Public Law 98-540 can include that information. Implementation of maintenance management is expected to be substantially complete within 3 years after awarding the maintenance management implementation contract in June of this year. Meanwhile, our park maintenance staffs are attempting to assure that we continue to address maintenance needs in a timely fashion.

QUESTIONS SUBMITTED BY CONGRESSMAN
EDWARD P. BOLAND

Lowell National Historical Park

1. Question: Mr. Cables, last fiscal year Congress was unable to fund the purchase of the Notini property for a maintenance facility at Lowell National Historical Park. What would be the consequences to the park if we were unable to fund this acquisition in FY 1987?

Answer: It is possible this property could be sold to another buyer. If this were to happen, the park could be left with a less effective maintenance facility. An extensive search for an alternative location was done several years ago, and it was determined that no other site is as cost-effective and as ideal in terms of size, location and facilities. The Park Service has been leasing this property since 1980. Lease costs have escalated each year to $114,000 in fiscal 1986. The city of Lowell has formally approved Park Service acquisition of the Notini property, and the owner has indicated a willingness to sell.

2. Question: Mr. Cables, what is the status of the Boardinghouse Interpretive Center development at Lowell National Historical Park? Has the interior construction contract been awarded yet?

Answer: As you are aware, phase I construction of the Mogan Cultural Center has been completed. This accomplished the exterior restoration of the Boardinghouse. The Commission recently hired an independent estimator to evaluate the construction documents for phase II work and to provide an estimate. (Phase II will finish the project by accomplishing interior construction and construction of a "link" building joining the Boardinghouse with an existing cotton storehouse.) The cost estimate for phase II is $3.2 million. If current estimates prove correct, there will be a shortfall of $1 million beyond available funding for this project. There are two principal reasons for this shortfall. First, the "link" building is a totally new structure, whereas original cost estimates are based on the assumption that an existing "link" structure could be rehabilitated at less cost. It was later determined that this building was structurally unsound and would have to be replaced by new construction. The second cause of the shortfall is the desire to accommodate the University of Lowell as a tenant which will cost approximately $1 million for additional renovated space, which will become the university's archives. The university will pay for all internal furnishings and will be paying over $70,000 annually for the leased space. The university's commitment to this project is essential to expanded participation in downtown revitalization and in the cultural life of the community.

3. Question: Mr. Cables, have you completed the trolley system at Lowell National Historical Park, particularly the extension to the State Park's Lower Locks and Hilton Hotel site?

Answer: The Commission is about to begin construction of two planned extensions of the historic trolley line, using previously appropriated funds. The Service will be unable to complete the link to the Hilton Hotel/Wang Education Center/Lower Locks park because of unexpectedly high cost of building a bridge to carry the trolley line across the Eastern Canal. The bridge will be built as a single span, which is more costly, but is required to avoid damaging the historic canal. A thorough study has produced no other less costly alternative.

4. Question: Mr. Cables, I understand that the Lowell Historic Preservation Commission is proposing to do several demonstration projects along the Lowell Canalway. What in your opinion is the benefit of the Federal Government supporting such an effort?

Answer: Lowell's 5.6-mile National Landmark canal system is one of the park's principal resources. For several years, the Park Service, the Commission, the Commonwealth of Massachusetts, and the city of Lowell have joined forces with the private sector to restore and reuse portions of this system. Park Service and Commission funded projects have focused on the Eastern and Lower Pawtucket Canals from the Lower Locks area to the Boott Mills complex. This investment of public dollars could leverage much larger investments of private-sector dollars in areas such as the Boott and Massachusetts Mill complexes, and their rehabilitation is important both to downtown revitalization and to the restoration of park resources. However, the National Park Service has placed a high priority on meeting health and safety considerations; therefore, although such an effort is beneficial, it is not of the highest national priority.

ADDITIONAL COMMITTEE QUESTIONS

Fees

1a. Question: The Administration is proposing legislation to remove the present freeze on entrance fees and to create a permanent indefinite appropriation for recreation fee revenues. Of the funds collected, $59,000,000 would be used to fund Park activities which traditionally have been funded through the regular appropriation process. How did you select the functions to be funded by fees and those which would continue to be funded through the annual appropriation process?

Answer: The processes to determine functions appropriate for funding through the fee revenues included an examination of National Park Service functions and programs to ascertain which of these functions best met the three general criteria established for selection. The criteria were: (1) functions which directly benefited the park visitor or provided distinct visitor services; (2) functions which were generally not FTE intensive; and (3) functions which coincided with the broad policy initiatives outlined by National Park Service Director Mott in his 12-Point Plan.

Because of the Service's intention to return 20 percent of the fees collected directly to park units to enhance operations, the remaining 80 percent would be distributed to fund those programs and activities which most closely met the criteria listed above.

1b. Question: What Congressional oversight do you envision for the money made available to you from the enhanced fee collection program?

Answer: The Park Service will provide Congress with a justification for the programs funded through the fee revenues as part of the regular annual budget request. The annual justifications will detail the actual fee collection revenues and their disposition from the current fiscal year and projected for the budget year.

1c. Question: Of the amount to be made available under the fee program, $14,207,000 is to "enhance park operations." No specifics are presented. Please tell the Committee what your plans are for using this money.

Answer: Under the proposed legislation, an estimated $14.2 million would be available for use in park areas to enhance operations and visitor services. The National Park Service is currently developing a method by which the funds would be allocated to individual parks in an equitable manner which would benefit the visitor and meet the parks' highest priorities in unfunded requirements.

Once the funds have been allocated to the park areas, they will be available for use in meeting the highest priorities in unfunded requirements as defined by each park.

Gramm-Rudman

2a. Question: We have the formal listing of how Gramm-Rudman reductions are being taken in FY 1986 and we have statements in the budget justification neither of which give us a real flavor for what is actually happening at the operating level in the parks. What is your general strategy for taking the 4.3% across the board reduction?

Answer: Each park has determined individually how it could best accommodate the mandated reductions. Low priority operations and programs were examined to determine if they could be safely deferred or eliminated. In general, Regions were provided policy guidance to select alternatives that would not compromise the health and safety of the visiting public and park employees, result in the closure of campgrounds and other revenue-producing activities, or propel the Service into a costly and disruptive reduction-in-force situation. Regional Offices and park areas which have indicated that any of the above impacts would likely result from the reductions have been instructed to reprogram funds to mitigate these effects.

2b. Question: Does this mean that operating hours will be reduced? Will campgrounds be closed?

Answer: A number of parks have indicated that hours of operation will be scaled back to accommodate the Gramm-Rudman reductions. In some cases, this will entail a delay of several weeks in moving from the more restricted winter season hours to full summer hours. In other cases, parks will not expand to full summer hours at all, closing at 5 p.m. instead of 8 p.m., for example. At a few parks, selected visitor contact stations and kiosks will close early. While some campgrounds may open later in the season or close earlier than normal, no campgrounds will be closed due to the Gramm-Rudman reductions. Any park that has indicated that campground closure is an anticipated impact of the 4.3 percent reduction has been directed to reprogram funds to mitigate this effect.

2c. Question: How will the general public experience the reductions that the Park Service will have to take?

Answer: In general, the public will have fewer contacts with NPS uniformed personnel during their park visit. While ranger patrols will become less frequent, every step is being taken to ensure that the safety of the visitor will not be compromised by this action. Hours of operation for visitor centers and kiosks will be reduced in some cases, providing less of an opportunity for the public to experience a park visit. Interpretive talks and programs may be eliminated entirely, in some instances, leaving the visitor to current interpretive exhibits and self-guiding tours to gain a fuller understanding of the park area and its resources. Custodial duties and litter pickup will be performed less frequently.

2d. Question: Do you envision that you will have to ask for a reprogramming to accommodate the policy choices you are having to make?

Answer: The National Park Service intends to request a reprogramming of funds to mitigate those impacts which are deemed detrimental to the Service's operation and which might jeopardize the health and safety of the visiting public or park employees.

2e. Question: Could you pick a major park, such as Yosemite or Yellowstone and explain exactly how that Park will be affected by the cuts? You might also do that for a medium sized park and for a smaller park.

Answer: The Service is in the process of preparing and will submit to the Committee a report detailing the impact of the Gramm-Rudman reductions at the park level in response to the Chairman's letter to the Director. At this time, the likely impacts of the cuts at these selected park areas are as follows:

Yosemite National Park

Management: Reduction in seasonal positions and lapses in permanent positions. Reduced management efficiency, concessions evaluations and archeological surveys.

Administration: Increased lapses in filling permanent positions. Delays in personnel actions, procurements, payment of invoices, billings, and fee collection audits. Reduction in all administrative services to the park.

Protection: Reduction in seasonal positions, lapses in permanent positions and extended furloughs. Elimination of horse patrol, reduction in patrol hours, reductions in specialized trainings, i.e., horse patrol school, and white water rescue.

Resource Management: Reduction in seasonal positions and extended furloughs. Delay purchasing replacement equipment for tree removal operations. Reduction in wildlife programs and responses to bear incidents. Reductions in prescribed burn program, and delays in hazard tree removals.

Interpretation: Reduction in seasonal positions, extended furloughs and lapses in permanent positions. Reduction in supplies, travel, vehicles, etc. There will be reductions in interpretive walks, visitor center hours, campfire programs, Indian cultural programs and the elimination of the mobile interpretive van.

Maintenance: Reduction in seasonal positions, extended furloughs and lapses in permanent positions. Reductions in materials, supplies and replacement equipment. Reductions in roadside litter pickup, backcountry trail crews. Reduction in preventative maintenance on wastewater treatment plants. Delays in water system well hookups. Delays in road patching, elimination of Tuolumne Meadow road crew.

Voyageurs National Park

Five seasonal employees will not be hired, affecting visitor services and natural resource management.

All nonmandatory training will be eliminated.

Travel not directly needed for park operations will be eliminated.

Five General Service Administration vehicles will be discontinued affecting ranger patrol, manning of interpretive activities, and monitoring of resources.

Elimination of most supplies and materials which were yet to be purchased for all divisions. Material-intensive work, such as replacing roofs, will not be done.

Principal interpretive publications will not be published, eliminating most printed park information available to the public.

Adams National Historic Site

Provide only general curatorial activities.

Decrease the number of historic artifacts treated.

Provide interpretive tours on "as needed" basis only.

Contaminant Issues of Concern

3a. Question: The U.S. Fish and Wildlife Service has published a list of contaminant issues of concern. Included in this list are problems the U.S. Fish and Wildlife Service has inherited, as well as problems that occur because of conditions beyond the boundaries of the refuge. Would you think that there would be any benefit to the Park Service to identify your problems in an organized fashion such as the Fish and Wildlife Service has done?

Answer: The National Park Service already routinely identifies problems in an organized fashion at the park level through preparation and updating of park resource management plans. We identify and periodically update a list of the highest priority project needs Servicewide as part of the several years (1982-present) that the Natural Resource Preservation Program has been in operation. These activities build on previous efforts, giving the Service a long-term data base.

3b. Question: Would a document such as this help Mr. Mott in his effort to make the public more aware of the needs and opportunities in the Park Service?

Answer: Yes, the Service's existing documents and their periodic updates are used regularly to respond to inquiries from the public and the Congress. In addition, the Service is embarking on an initiative to incorporate its natural resource management concerns and activities directly into park interpretive programs. This initiative will provide the public direct opportunities to see, in the field, resource management activities and their results and to have their questions answered by the most knowledgeable people available, the park rangers, resource managers, scientists, interpreters, and maintenance personnel who actually conduct the needed work.

3c. Question: Mr. Mott, what do you consider to be the most critical external threats to the Park System?

Answer: The most critical external threats to parks are those that have the potential to cause significant and irreversible impacts on park resources and values. For example: dams and other major water diversion projects that have the potential to destroy important riparian habitats and aquatic ecosystems; geothermal development projects; loss of water rights; destruction of particularly fragile natural resources in areas such as the arctic or the Everglades; disruption of fundamental ecosystem processes that leads to loss or partial destruction of gene pools; development activities that destroy critical habitat areas for grizzly bears and other threatened and endangered species; strip mining activities that have the potential to cause long-term destruction of underground aquifers; and long-term loss of panoramic scenic views resulting from mineral and industrial development activities. Research conducted both by the Service and the academic community provides a body of information which supports a conclusion that the increasing isolation of parks through the human alteration and destruction of the larger ecological systems of which the parks once were an integral part, critically increases the difficulty of preserving natural resources and processes for the use of present and future generations.

3d. Question: What are your currently available tools to mitigate or eliminate these critical external threats?

Answer: The Secretary has emphasized outreach and communication and coordination in dealing with external activities that have a potential for adversely impacting parks. Participation in cooperative management programs with adjacent public and private land managers results in our finding the common ground that permits each party to achieve the majority of its goals. Participation as an interested land manager in local and State zoning and land use planning activities also leads to cooperative solutions to differing needs. Participation in international park and wildlife refuge management and planning activities leads to better protection for migratory species that cross national boundaries. Utilization of injunctive and other legal tools can prevent others from conducting activities that are demonstrably harmful to park resources. In-park resource management activities can supplement or substitute for processes or species that normally would have been supplied to a park from areas outside it.

3e. Question: What additional tools do you think are necessary to avoid critical external threats?

Answer: We do not feel any new tools are needed. We believe existing authorities provide us with sufficient tools to continue to successfully fulfill the mandate of the National Park Service.

4a. Question: In some areas, a Park's neighbor may be the Bureau of Land Management or the U.S. Forest Service. On their lands action could be taken that could prove detrimental to a Park. Examples include a geothermal lease which could be activated adjacent to Yellowstone or coal leases in Utah near Bryce Canyon or Zion. What procedure do you have in place to identify potential conflicts to either BLM or the Forest Service?

Answer: The existing procedure is for each park superintendent to monitor planned and ongoing activities of adjacent Bureau of Land Management and Forest Service managers and to seek discussion and cooperative resolution for any activities perceived to be threatening to the park's mission. In addition, the Service's Regional environmental compliance personnel monitor the Bureau of Land Management and Forest Service announcements of planned activities and review those activities likely to impact units of the National Park System. The Service also is participating in a Departmental initiative that has the objective of developing a Departmentwide process for identifying and resolving through negotiation at an early stage any bureau activities that might prove detrimental to park resources, i.e., a process of issues identification followed by conflict avoidance and conflict resolution measures.

4b. Question: Are there potential conflicts with other agencies such as BIA or the Department of Defense? If so, what are they and what relationship do you have with those agencies?

Answer: Yes, potential for conflict may occur with these agencies. Conflict with respect to Indian lands may occur with respect to grizzly bear protection and grazing of domestic livestock. Conflict with the Department of Defense may occur with respect to overflights of aircraft, pollution of streams, alteration of scenery, and dredging, filling, and otherwise manipulating rivers and inlets. In many cases, these conflicts do not become critical because the park and Regional staffs maintain adequate relationships with their counterparts in the other agencies and, as a result, adequate dialog exists to ensure that some kind of resolution can occur.

Air Quality

5a. Question: Late last year, Secretary Hodel rejected the opportunity provided by the Clean Air Act to designate integral vistas as important to parks. What protection would this have afforded "integral park vistas"?

Answer: Designation of integral vistas under the Clean Air Act would not have compelled protection of the vistas; rather, designation of integral vistas would only have required States to consider protection of the vistas, along with energy, economic, and other factors, in making decisions on activities with the potential to impair the air quality of the vistas.

5b. Question: What protection remains after the Secretary's declaration that "designation of 'integral vistas' would not be good for the Parks"?

Answer: The Department has emphasized that the Secretary's decision does not reflect a judgment that integral vistas are not worthy of protection. Indeed, the Department has stressed that the National Park Service has a responsibility to participate in individual State decisions concerning protection of these park resources. Consequently, except for possible limitations in State authority, States can still decide to protect important park vistas that extend beyond park boundaries.

6. Question: Secretary Hodel said that the Clean Air Act already authorizes Park Superintendents to work with State and private interests to resolve air quality related resource conflicts to enable full protection of America's national parks and obviate the need to submit a list of "integral vistas" to the Federal Register. How prepared, from an information point of view, are the Superintendents to work with the State and private interests to resolve air quality related resource conflicts?

Answer: The National Park Service has built an effective program to address air quality issues. The program involves a Washington Office with significant expertise in the scientific, regulatory, and policy aspects of air quality; Regional coordinators, who serve as information and communication facilitators; and the parks, which receive technical support from the Washington Office and the Regional coordinators, provide specific information on park research and monitoring as well as relevant regulatory activities, and disseminate information to the public and interested persons.

As for the adequacy of the Service's information on air quality and related effects, the Service is aware of the need to learn more about significant air quality impacts on sensitive park resources. More work is contemplated on modeling to establish source/receptor and cause/effect relationships. This work will be conducted in future years as these activities increase in priority. The Service will be monitoring in 40 of the 48 class I parks by the end of the year. Additional monitoring is required to establish baseline concentrations, particularly in the remaining class I parks, threatended class II parks, and relatively pristine "background" parks, which have no monitoring data. More research is also needed to establish sensitivities of native species to air pollution. These are of lower priority at the current time, but will be addressed in the future.

Closure of Seattle Regional Office

7a. Question: At NPS-8 is the notice that you plan to close the Regional Office in Seattle, Washington. Although you indicate there won't be any savings in FY 1987, what savings would you expect to realize in future years?

Answer: The annual savings to be generated from closing the Regional Office will start in fiscal year 1988 and are estimated to be $2,192,000 and 40 FTE's. A comparison of the costs associated with the operation of the Seattle Office and the costs to be assumed annually by the other

Regions that will be absorbing the workload of the Pacific Northwest Region is presented below. The table contrasts the present costs of operating the Seattle Office with the costs to be redistributed to the Rocky Mountain and Southwest Regional Offices as a result of the consolidation. The difference between these costs represents the potential annual savings to the Service. The table follows:

	Present Annual Operating Costs	Annual Costs to be Redistributed to Regions Absorbing Workload	Annual Savings
Salary Costs	$3,293,300 (110 FTE's)	$1,750,000 (70 FTE's)	$1,543,300 (40 FTE's)
Contract Costs	404,700	176,000	228,700
Space	650,000	230,000	420,000
Miscellaneous	200,000	200,000	0
Total	4,548,000	2,356,000	2,192,000

7b. Question: Who will carry out the functions now being handled by the Seattle Office?

Answer: The functions of the Seattle Regional Office will be mainly incorporated in the present Western Regional Office, with Idaho being consolidated in the Rocky Mountain Regional Office and Arizona being transferred to the Southwest Regional Office from the Western Regional Office.

7c. Question: What schedule do you plan to follow to implement the closure of the office?

Answer: The Service plans no specific steps to implement the closure of the Seattle Office in fiscal year 1986. Consolidation will begin during fiscal year 1987 and is anticipated to take 3 months to complete.

7d. Question: Provide for the record the fixed expenses associated with the Seattle Regional Office.

Answer: The present annual costs of the Pacific Northwest Regional Office are approximately $4,548,000. The fixed expenses associated with the Regional Office in Seattle are:

	Annual Fixed Expenses
Salary Costs	$3,293,300
Contract Costs, Supplies, and Materials	404,700
Space	650,000
Miscellaneous (postage, telephone, etc.)	200,000
	4,548,000

Loss of Rangers from the National Park Service

8. Question: In talking with various Park Superintendents, several have mentioned that in the last year they have noticed that employees are leaving the Park Service to take jobs at other Federal agencies where they can receive more money. The Drug Enforcement Administration is cited as an example where a Park Ranger with law enforcement experience can receive more money. Are you aware of concerns in this area and do you think it is a problem?

Answer: The National Park Service is aware of this problem and is attempting to resolve it through a variety of personnel actions.

Several studies have confirmed that there is a high turnover among lower-graded park rangers with backgrounds in law enforcement. A survey conducted by Appalachian State University found that 20 of the 92 GS-5's who graduated from the Federal Law Enforcment Training Center (FLETC) in 1979 and 1981 had left the Service by 1985. The chief ranger at Independence National Historical Park reported in 1984 that 13 protection division rangers employed there (out of a maximum ceiling of 26 positions) had transferred to other agencies or left for private sector jobs over the previous 3 years. Both of these studies were cited in an article in Ranger magazine which also summarized responses from questionaires filled out by 20 ex-employees on why they left the Service. All three found that most departed because:

-- there was no career ladder for park rangers;
-- they saw little chance for advancement in the agency;
-- they had little success in transferring to other parks; and
-- they could no longer afford to live on GS-5 salaries (currently $14,390 at the entry level).

Law enforcement is only one of a ranger's many duties, but the basic training all commissioned rangers must have is enough to qualify them for positions in other agencies with full career ladders in law enforcement. Virtually all of those surveyed would have preferred to have remained in the Park Service, but found such opportunities hard to resist; many of them have parlayed their training, extensive experience and skills (acquired through and paid for by the Service) into GS-7/9/11/12 positions in Customs, Fish and Wildlife, the Drug Enforcement Administration and a half-dozen other enforcement agencies.

The Park Service is working on solutions to this problem. Last summer, the Office of Personnel Management released new ranger series classification standards which combined the professional ranger (025) series and the generally lower-graded park technician (026) series. As a result, many positions are being reevaluated and reclassified - frequently at higher grades. A study is presently underway to evaluate and compare some aspects of ranger jobs with similar positions in other agencies to determine if the Service's grade standards are appropriate. A new mobility policy is about to be released which will facilitate the movement of employees who wish to be reassigned. And the Service is arranging a contract for relocation services which will make it easier for employees to move from one location to another.

John F. Kennedy Center for the Performing Arts

9a. Question: The request for the John F. Kennedy Center for the Performing Arts is $4,771,000, the same as the 1986 base. What portion of the Kennedy Center request is for Park Police?

Answer: The United States Park Police costs are $648,300.

9b. Question: What is your assessment of the general condition of the physical plant at the Kennedy Center?

Answer: The general condition of the physical plant (heating ventilation and air conditioning, electrical and plumbing) is good to excellent. Only minor routine concerns exist as well as problems typical of aging equipment, such as cooling and heating coils, shaft stress, valve and washer wear. Routine surveillance as well as testing should alert us to future physical plant problems. The building is structurally sound with the only expected problems such as routine leaks and cracked marble.

9c. Question: What maintenance will you defer as a result of Gramm-Rudman?

Answer: The following projects will be deferred to fiscal year 1988:

River Terrace Marble Replacement	$133,100	
Replace Damaged Ceiling Tile	11,400	
Paint Interior Ceiling Tile	17,000	
Clean Rock Creek Overhang	23,000	
Refinish Bronze Doors and Handrails	20,000	
Printing and Reproduction	500	Reduced Printing
	205,000	

9d. Question: If you think it is a growing problem what is the solution?

Answer: Deferring maintenance projects is not desirable since emergencies could result for which operating funds would not be available. However, the funds requested for the Kennedy Center in fiscal year 1987 have addressed the shortfalls that were experienced over the past several years because of increased utility bills, and we, therefore, anticipate sufficient funds will be available in fiscal year 1987 to put us in a position to follow our established Cyclic Maintenance Program.

Management of Park Areas

10a. Question: The request for Management of Park Areas is $62,498,000, an increase of $974,000 over the 1986 base. The additional amount is to increase transfer costs in the Alaska Region (+$210,000); $450,000 to increase uniform allowances to cover increased costs; and $314,000 to support activities of the President's Commission on Americans Outdoors. Are the funds just for the Alaska Region to use when receiving a new employee?

Answer: No, the funds are also used for intra-State transfers, and in some instances to subsidize the cost of a move to a park in the lower 48; and the cost of moving an employee from Alaska to his/her "home of record" upon retirement as specified by law and regulation.

10b. Question: Who pays when an employee leaves Alaska for an assignment in the lower 48 states?

Answer: Normally, the organization receiving the employee from an Alaska park would pay transfer costs. The Alaska Region sometimes subsidizes these moves depending on the particular circumstances involved.

10c. Question: Since the gaining organization pays, isn't it likely that in tight budget years, a Park may not want to hire a person from Alaska?

Answer: The Service has no way of knowing how many Alaska employees may have been considered for lower 48 positions. The Service, as a matter of policy in securing the best possible candidate in filling a vacant position, does not allow the cost of a transfer, or any other nonmerit factor, to influence the selection of an employee.

10d. Question: Do you need a similar fund to pay for these transfers from Alaska as well?

Answer: It is National Park Service policy that the organization to which an employee is transferring pays the costs associated with the move. Funds are budgeted in all other National Park Service Regions for this purpose.

Uniform Allowance

11a. Question: $450,000 of the increase is for uniform allowances. How much is in the base for uniform allowances?

Answer: Uniform allowances are issued out of "Operation of the National Park System" operating funds programmed at each park. In fiscal year 1985, $2.0 million was issued in uniform allowances.

11b. Question: Does this also include uniform allowances for the Park Police?

Answer: No, Park Police have special legislation for their uniform allowance requirements.

11c. Question: How much of an increase does this provide on a per person basis?

Answer: Based on 13,000 uniformed employees, each employee will receive an average increase of $34.

President's Commission on Americans Outdoors

12. Question: Is the amount provided for the President's Commission on Americans Outdoors the total government support for the Commission. Provide for the record the amounts requested for each of the following: staff salaries, benefits, travel expenses, and printing of the Commission's reports.

Answer: The President's Commission on Americans Outdoors currently estimates that fiscal year 1986 support funding will be as follows:

	($ in thousands)
National Park Service	$316
Fish and Wildlife Service	316
Bureau of Land Management	316
Bureau of Reclamation	222
Forest Service	316
Total	1,486

In addition, the Corps of Engineers is providing a professional staff member on a nonreimbursable basis. The Environmental Protection Agency and Library of Congress are providing staff support on a reimbursable basis.

The Commission currently estimates expenses as follows in fiscal year 1986:

	($ in thousands)
Salaries	$659
Benefits	72
Travel	114
Rent, Communications, and Utilities	168
Printing	52
Other Services	225
Supplies	25
Equipment	57
Total	1,372

Specific cost for printing the Commission's report will depend on the number of pages and copies. While exact cost is not known, it has been budgeted at $30,000 which is included in the $52,000 printing amount portrayed above.

Cost for public hearings will include travel, printing, court reporters, rental of rooms, and other logistic support cost. While specific costs are difficult to estimate, all costs are included in the budget. Some realignment of the object class estimates will be required as costs are evaluated throughout the year.

Savings from Organizational Simplification

13a. Question: Last year's justification (part 1, p. 688) indicated that there would be anticipated savings from organizational simplification. In response to a question for the record this was described as consolidation of administrative functions for parks in close proximity, the centralization of procurement, personnel and other activities in the regional office. (The anticipated savings for FY 1986 is $2,856,000.) Are you now, in fact, implementing this "organizational simplification"? If so, what savings can you actually report to the Committee? How have you achieved these savings?

Answer: The amount of $2,856,000 represents the total base change proposed for the Management of Park Areas subactivity for fiscal year 1986. The amount associated with administrative savings in the parks is $2,599,500. The Service is progressing in its efforts to reduce administrative overhead in the parks and expects to achieve the full amount of savings as reported in the fiscal year 1986 Budget Justification. All park areas are reducing administrative overhead and clerical support with minimal effect on park programs. Generally, savings have or will be achieved through position management reviews, deferring or eliminating discretionary procurement, and upgrading or installing data processing operations in all park areas. To date, no organizational consolidations have been achieved.

13b. Question: Provide for the record how you made these savings. If no savings have been made, how are you absorbing the reduction that was proposed last year?

Answer: Park areas, under the guidance and assistance of the Regional Offices have employed the following principal methods to achieve reductions:

1. Conducting position management reviews:

   Administrative and clerical positions are not filled immediately upon becoming vacant. All positions undergo a review to determine continued need in connection with other park activities and workloads. Park administrative divisions are reviewed to determine if intermediate supervisory (below the office of the Superintendent) positions can be eliminated, or if the duties of two vacant positions can be combined. All seasonal clerical positions will be reviewed and consolidated where possible. Support personnel in other divisions will assume some routine clerical work where practicable such as time and attendance reporting and supply requisitioning.

2. Deferring or eliminating travel and office equipment/supplies procurement:

   Discretionary obligations are greatly reduced or eliminated, including travel, nonmandatory training that can be postponed without detrimental impact to park operations, and deferring the acquisition of new or replacement office equipment.

3. Office automation:

The Service has purchased and installed stand-alone computer systems for many parks and all Regional Offices. Many administrative functions can now be performed with greater speed and accuracy requiring fewer personnel to perform standard administrative functions. In some Regions, park computers are linked directly to Regional Office mainframe systems which speeds the transmission of important budgetary and personnel material.

Emergency Costs

14. Question: The amount requested for Emergencies: Storm and Flood Damage, Search and Rescue Operations, Structural Fire Damage is $3,415,000. In prior years, the amount budgeted has been inadequate to meet the requirements. Park areas have had to absorb these costs. (FY 86, Part 8, p. 777). Based on your past experience, is the request of $3,415,000 adequate to meet the emergency needs? How do the Park areas absorb these costs?

Answer: Emergency needs, by their nature, are unpredictable. We believe that the amount budgeted is sufficient, assuming no catastrophic event such as the Potomac River flood of November 1985. To the extent that parks must absorb these costs, lower priority maintenance or rehabilitation projects must be deferred.

Illinois and Michigan Canal National Heritage Corridor

15a. Question: The request includes $313,000 for the Illinois and Michigan Canal National Heritage Corridor Sites Inventory. Please describe for the record what this amount will provide in terms of Park Service staff involvement.

Answer: Section 112 of Public Law 98-398, which established the Illinois and Michigan Canal National Heritage Corridor Commission, directs the Secretary to detail to the Commission two employees on a nonreimbursable basis. The employees are to assist the Commission in carrying out its duties as contained in section 109 of the act. These duties include assisting non-Federal entities in identifying and preserving major portions of the canal of historic importance and encouraging private landowners to retain as much natural vegetation and historic structures along the canal as possible. The Service will also be working to complete the second year of the 3-year site inventory. Service employees from the Washington Office Cultural Resources Management Division and the Midwest Archeological Center in Lincoln, Nebraska, will develop the inventory.

15b. Question: No funds are requested for the Corridor Commission. How is the Commission supposed to operate without any funding?

Answer: The Service has been encouraging and assisting the Commission to secure funding from private sources to continue its activities in fiscal year 1987.

Concessions Management

16a. Question: The request for concessions management is $3,548,000, the same as the 1986 base. Last year, the subcommittee was called on to approve a reprogramming to pay for support facilities to serve the concessioner-funded expansion of the Wahweap Lodge at Glen Canyon National Recreation Area, Arizona. What is your current policy on the division of responsibility for construction costs associated with utilities provided in support of concessioner facilities?

Answer: Our present policy, adopted in May 1984, is that we look first to the concessioner to provide all necessary construction, including utilities in support of their facilities. However, concessioners are only obliged to perform infrastructural developments that are economically feasible. In many instances, the concessioner could not develop an economically viable visitor facility if they were required to bear the full cost of utility system construction. Additionally, some existing contracts contain the old language that says the National Park Service will provide utilities up to 5 feet of their buildings as funds are available from Congress. Our previous policy also stated that if the concessioner was ready to perform construction that was required in his contract, he could complete the utility system and the National Park Service would then attempt to obtain appropriations to reimburse our portion.

16b. Question: This particular project was carried out to meet the concessioner's schedule, not that of the Park Service, and, in fact, was committed to by the Park Service before funding was secured. What have you done to assure that the concessioners do not drive the Park Service construction schedule?

Answer: We did not schedule this project primarily to meet concessioner needs, but to meet visitor needs. Glen Canyon has had enormous increases in visitation in recent years, and we had to have more lodging to accommodate them. Our obligation to the concessioner was as described in the previous response: to attempt to get an appropriation to reimburse him after the fact. Under the new policy, we would not seek an appropriation, but would instead give the concessioner possessory interest in the utility system at book value. All such projects will continue to be driven by visitor and/or environmental needs, and the concessioner plays an integral role in this process.

16c. Question: Provide for the record the location of the 59 FTE's associated with the concession program in the regional offices and the Parks.

Answer: The 59 FTE's associated with the Concession Program in the Regional Offices and parks are as follows:

Location	FTE's
Rocky Mountain Regional Office	4.7
Western Regional Office	7.0
Southwest Regional Office	3.9
Southeast Regional Office	2.0
Midwest Regional Office	2.0
Pacific Northwest Regional Office	2.8
Alaska Regional Office	2.0
North Atlantic Regional Office	3.0
Mid-Atlantic Regional Office	2.0
National Capital Regional Office	4.0
Olympic National Park	1.0
North Cascades National Park	1.0
Glacier Bay National Park and Preserve	1.0
Katmai National Park and Preserve	1.0
Everglades National Park	1.0
Blue Ridge Parkway	1.0
Ozark National Scenic Riverways	0.3
Buffalo National River	1.0
Yosemite National Park	1.0
Grand Canyon National Park	3.0
Fire Island National Seashore	1.0
George Washington Memorial Parkway	1.0
Rock Creek Park	1.0
Bryce Canyon National Park	1.0
Dinosaur National Monument	0.3
Glacier National Park	2.0
Glen Canyon National Recreation Area	5.0
Grand Teton National Park	1.0
Black Hills area	1.0
Zion National Park	1.0
	59.0

Some of these positions also handle small parks in and around their permanent duty station.

Interpretation and Visitor Services

17a. Question: The request for Interpretation and Visitor Services is $57,413,000, a decrease from the 1986 base of $65,119,000. (NPS-35). The decrease in the program is to be offset through the increase in fees. An increase of $353,000 is proposed for additional services at Independence National Historical Park. What will this amount provide at Independence National Historical Park?

Answer: The increase will provide funds to extend services for the observance of the 200th anniversary of the United States Constitution. Independence National Historical Park will be the focal point of this national observance. In interpretation and visitor services, $97,000 will be provided to extend hours of operation (approximately 600 additional visitation hours), increase interpretive tours and talks, and allow historical buildings to remain open longer; $45,000 in protection will increase patrols and protection to the visitors and the historic resources;

$211,000 for maintenance will provide increased janitorial services, additional utility costs for buildings that remain open for longer periods, additional trash pickup and grounds maintenance because of expanded use of the park (6 million visits in 1986; 10 million estimated in 1987) and special events preparation throughout 1987.

17b. Question: What is the basis for the expectation that visitation will double at Independence National Historical Park?

Answer: Philadelphia will be the focus of the national celebration just as it was in 1976 for the Bicentennial of the Declaration of Independence. Based on the projections that were made in 1974-1976 and past history of the park visitation patterns and the similarity of the celebrations, we can reasonably expect an estimated 10 million visits. There will be four major attractions in the park tied to the Constitution itself: Independence Hall, Liberty Bell, an exhibit in the Second Bank of the United States entitled "Miracle at Philadelphia," and an exhibit in the visitor center entitled "Promise of Permanency." The Philadelphia Convention and Visitors Bureau will nationally advertise these exhibits.

18a. Question: In January, a $1,200,000 donation from Bell of Pennsylvania was announced for a computer exhibit at Independence National Historical Park's Visitor Center in conjunction with the 200th anniversary of the Constitution. What recognition will Bell of Pennsylvania receive at the exhibit site?

Answer: The exact nature of the recognition for Bell of Pennsylvania has not yet been determined. Bell will provide an additional computer that relates the interactive technology of the exhibit to Bell's technology. There is the potential to include a credit panel at the exhibit entrance and the Bell logo on the exhibit brochure. Bell will host the gala opening ceremony at the exhibit site.

18b. Question: Will park employees be responsible for the exhibit or will Bell employees provide the staff?

Answer: The Bell donation includes funds for operations and staffing. This will allow for the hiring and training of non-Government employees to staff the exhibits.

18c. Question: What plans do you have to celebrate the Bicentennial of the Constitution at other parks?

Answer: The National Park Service will make a day-to-day events calendar of historic events relating to the evolution of the Constitution available to all parks and the media. Cooperating Associations throughout the System are being encouraged to stock and sell:

the framing of the Federal Constitution;
the Constitution commemorative poster;
the commemorative Medallion; and
other recommended commemorative items for sale
  by concessioners in parks.

Each park will carry out an interpretive activity involving the Bicentennial of the Constitution; however, major celebration activities will be focused in four cities: Philadelphia; Washington, D.C.; New York; and Los Angeles.

Offsite Programs

19. Question: Last year you had a program entitled "Offsite programs" which was funded at $810,000 with 35 FTE's. This program does not appear in the FY 1987 justification. Why do you no longer have a program "conducted outside the park boundaries by park staff for school and community groups to maintain community relations, explain park policies and programs, and provide potential visitors with prearrival information about the area"? Are you carrying out this program in FY 1986?

Answer: Funding and FTE's associated with this activity have been included in the budget justification with funding and staff shown under "General information and orientation services." Although not listed separately, the National Park Service is continuing to conduct "offsite programs" in fiscal year 1986 to the extent the program has not been reduced by Gramm-Rudman-Hollings.

Campground Reservation System

20a. Question: The 1985 cost of operating the campground reservation system was $445,000. What revenues were generated through the operation of the campground reservation system?

Answer: There are no additional revenues generated through the operation of the campground reservation system. The purpose of the computerized campground reservation system is to provide a service to the public wanting to camp in popular parks where first-come, first-served systems are not effective because use exceeds the normal campground capacity. The reservation system provides visitors throughout the nation the opportunity to plan trips to popular national parks with the assurance of having camping space upon arrival. The $445,000 was allotted to assist the parks on the reservation system in operating a more complex camping system.

20b. Question: What advantage would there be to expanding the campground reservation system?

Answer: In popular areas where use levels exceed capacity of facilities, the reservation system provides the visitor with improved service, reduces congestion, incidents, and increases management efficiency of the campground operations.

20c. Question: What would it cost to expand it to an additional park?

Answer: Expansion costs are directly related to the park area and would be based on several factors which could include telephone costs, number of entrances to the area, design of campgrounds, the number of campsites on the system, and whether the area is isolated.

U.S. Park Police Recruit Classes

21. Question: According to the justification there is $26.8 million to support U.S. Park Police operations servicewide, including 635 FTE's. Does this amount include funding for a recruit class? If so, how much is included for a recruit class? Last year, the Congress added money to enable you to have a recruit class. Could you give us information on this recruit class?

Answer: Given the continuing cost of personnel currently on board as well as the need to maintain the timely purchase of critical supplies and material and equipment, no new recruit classes are planned for fiscal year 1987 unless the Force experiences an extraordinarily high attrition rate.

Testimony provided during the hearings conducted on the fiscal year 1986 budget addressed a need for $490,000 to cover the costs of physical examinations; background investigations; uniforms and equipment; travel; the cost of training; and part year salary funding for a second recruit class to be conducted during fiscal year 1986. Our original plan, assuming these additional funds were available, was to have a class commence in October 1985 and a second class to begin in January or February 1986. A number of occurrences have caused us to alter this plan.

Higher operating costs coupled with across-the-board budget reductions--2 percent in 1985 and an additional 0.6 percent in 1986--left the Force short of the funds needed to annualize the salary cost of the fiscal year 1985 recruits. This problem was exacerbated by the 4.3 percent reduction under the Gramm-Rudman-Hollings legislation which substantially decreased funding for programs in fiscal year 1986, including our United States Park Police.

As a result, the Service does not have sufficient funds in our United States Park Police Program or other programs to finance a recruit class in fiscal year 1986. The additional $200,000 provided by Congress to cover other United States Park Police funding needs, including full-year salary costs for 1985 recruits.

U.S. Park Police Personnel Manning Levels

22a. Question: The Police Association of the District of Columbia testified before the Committee that the Park Police currently have 536 officers which is 44 short of the authorized strength of 580. Is the Police Association testimony accurate as to the current number of Park Police?

Answer: The figures provided are accurate.

22b. Question: In the narcotic and drugs category of offenses, their testimony indicated that offenses are up dramatically. For example, arrests increased by 57.2%. Is your current force adequate to cover the growing problems in drugs?

Answer: At the current level of staffing and absent appropriate overtime funds, the United States Park Police will not be able to maintain as effective a narcotics and drug fighting unit specifically targeted at this type of crime. Officers who are currently assigned to the drug task force will have to be reassigned to patrol operations to carry out basic police patrol functions.

22c. Question: Have you essentially abandoned the five year staffing plan you told us about last year? (FY 86, Part 8, p. 613)

Answer: The concept of the 5-year plan is still essentially sound, and, at the time of its preparation, represented reasonable goals and objectives. Decisions regarding further implementation of the plan must be made in the context of the relative needs of the United States Park Police in comparison to the merits of all other National Park Service programs.

GAO Study of the Law Enforcement Capability and Cost Comparisons at Two Recreation Areas

23a. Question: The GAO has just this month released its study of law enforcement capability and cost comparisons at two recreation areas: Golden Gate and Gateway. According to the study, commissioned Park Rangers can perform the law enforcement function now handled by Park Police at Gateway and Golden Gate. In addition, by replacing Park Police with commissioned Park Rangers and eliminating Park Police positions, long-term personnel and pension cost savings are possible. The GAO report has just been released. What is your reaction to the study's contention that commissioned rangers can handle the law enforcement responsibilitiesat Gateway and Golden Gate?

Answer: GAO concluded "...Commissioned Park Rangers can perform the law enforcement function now handled by Park Police at Gateway and Golden Gate." In our comments on the study, we indicated that GAO had not provided sufficient evidence to support a general conclusion that commissioned Rangers can or cannot perform the law enforcement function of the Park Police in these areas. The only reasonable conclusion that can be inferred from GAO's report is that the commissioned Park Ranger is capable of performing certain duties. Factors such as those recommended by GAO for further study (recruitment and retention problems, procurement of off-Federal parkland law enforcement authority) and recognizable differences in training programs; salary disparties; attitudes of Rangers toward full-time law enforcement; acceptance by the general populace of Rangers performing law enforcement; and the impact of the "New Classifiction and Qualification Standards-Park Rangers Series GS-025," which excludes positions that involve primarily law enforcement work in protecting life and property by maintaining law and order, must be considered. We have addressed all these issues in our response to GAO concerning their proposed draft report. The Service believes that law enforcement at Golden Gate and Gateway is a full-time program and should be performed by qualified individuals capable of devoting all their time and attention to law enforcement problems encountered at these urban areas.

In his memorandum transmitting the Department's comments on the study, the Assistant Secretary for Fish and Wildlife and Parks agreed with GAO's conclusion that obtaining additional information on recruitment and retention problems as well as the possibility of obtaining off-park law enforcement authority would be beneficial. After reviewing comparable studies--specifically the 1985 GAO study of Federal Aviation Administration police officers--the Service believes that all available information indicates that the salaries and benefits paid to commissioned Rangers could not compete with those offered by State, local, and other Federal law enforcement agencies, and that the transition from the United States Park Police officers to commissioned Rangers would not be beneficial or cost-effective.

23b. Question: What problems exist with obtaining off-Federal parkland law enforcement authority for commissioned Park Rangers at Golden Gate and Gateway?

Answer: Obtaining off-Federal parkland law enforcement authority for commissioned Park Rangers will require extensive research and documentation. In fact, a review of the legislative history concerning the authority for our Park Police officers assigned to Golden Gate and Gateway reveals that this authority took many years to achieve.

Law Enforcement

24a. Question: As an aside the General Accounting Office study of law enforcement at Golden Gate and Gateway, General Accounting Office found that in 1984 "the Park Service incurred $726,338 in emergency law enforcement costs for anticipated, routine, and recurring law enforcement activities at Gateway and Golden Gate... By using funds budgeted for other activities to pay for routine law enforcement activities, the Park Service has been using congressionally approved appropriations for construction, land acquisition, and other activities." Why have you had to resort to this unauthorized use of funds to finance law enforcement? How long have you used this practice?

Answer: The amount cited in the General Accounting Office Report for Gateway and Golden Gate Recreation Areas, $726,338, includes charges for law enforcement relating to a number of special events as well as overtime requirements. The Service has used the emergency authority in both areas mainly for a number of relatively minor, unforeseen incidents since 1977. We do not have adequate data to pinpoint exactly when the emergency law and order authority first was used in each instance. The two largest components of the figure cited by the General Accounting Office involved law enforcement support for the Democratic National Convention, a one-time effort in 1984, and the recurring temporary assignment of Park Police officers to Gateway National Recreation Area.

The practice of detailing additional police officers to Gateway National Recreation Area was initiated in 1981 when the Service was first confronted with the problems of enforcing nude bathing restrictions for the Jacob Riis Beach. The situation at that time was unforeseen and considered highly volatile. The Service has reviewed the continuing need for the unit on an annual basis in the context of the highly unpredictable law enforcement environment at Gateway National Recreation Area. It is clear that a more comprehensive review of the recurring law enforcement needs of Gateway National Recreation Area is needed. Such a review will be undertaken in fiscal year 1986.

Generally, the decision to use the Service's emergency authority has been based on the need to respond expeditiously to law enforcement situations which were considered to be outside the norm. That a number of these situations reoccur annually was not considered as important as having the capability to respond quickly and effectively to a wide variety of law enforcement requirements, many of which are beyond the capability of the park in question. For the most part, year-end unobligated funds appropriated under the "Operation of the National Park System" appropriation have been used to finance emergency law enforcement efforts.

24b. Question: Are you continuing to do this in FY 1986?

Answer: The Service is taking steps to tighten criteria for use of its emergency authority and, as previously mentioned, will carefully review the situation at Gateway National Recreation Area and other sites. In particular, emphasis will be given to eliminating any of the authority for activities which are clearly recurring in nature and which can be funded through regular appropriations. If necessary, funds will be redirected from lower priority activities to ensure an adequate level of law enforcement at Gateway and Golden Gate National Recreation Areas.

24c. Question: Does the FY 1987 request assume you will continue using emergency transfer authority to pay the routine operating expenses of the Park Police?

Answer: No, sufficient funding is available within the total request to provide for the recurring operating needs of the United States Park Police at Gateway and Golden Gate National Recreation Areas.

Visitor Protection and Safety

25a. Question: Included as part of Visitor Protection and Safety are two categories, emergency services ($3,503,000) and search and rescue ($1,443,000). How do these requested amounts compare to your actual experience over the last 5 years?

Answer: The National Park Service has two sources of funding for search and rescue activities. The search and rescue component listed under Visitor Protection and Safety reflects only that portion expended from park operating base funds and is limited to "minor" search and rescue activity which costs under $500. Activities that are considered "major" search and rescue in nature are funded from a Servicewide account under the Management of Park Areas subactivity. If the amount in the Servicewide account is insufficient, the Service utilizes the emergency authority provided under the Administrative Provisions to redirect unobligated balances from other sources. Funds provided under the Visitor Protection and Safety have been generally sufficient to cover that portion funded at the park level. Amounts budgeted by the park for "minor search and rescue" for the past 5 years are as follows:

Fiscal Year	Amount ($ in thousands)
1983	$1,221
1984	1,266
1985	1,276
1986	1,443
1987	1,443

Funds budgeted for emergency services reflect an estimate of the amount necessary to provide these types of services in the park areas. Since the National Park Service accounting system does not provide data at this level of detail for this activity, actual expenditures are not available. Funds budgeted have been generally sufficient to meet the requirements in this area. Amounts budgeted during the last 5 years are as follows:

Fiscal Year	Amount ($ in thousands)
1983	$3,185
1984	3,307
1985	3,374
1986	3,503
1987	3,503

25b. Question: When military search and rescue capability is convenient to a particular need in a Park, can you call on the military to help you?

Answer: In prior years, military bases and stations have cooperated with the Park Service and, if possible, made their services available.

25c. Question: If you use the military's rescue capability, must you reimburse the military?

Answer: The Park Service has not, in the past, had to reimburse the military for the use of its rescue capability.

Maintenance

26a. Question: The request for maintenance is $233,826,000, a decrease of $5,244,000 from the 1986 base. The decrease is proposed to be offset through the use of money collected from increased fees. The justification indicates (NPS-49) that maintenance is guided by State and local regulations, national building codes, and Federal standards. At the present time are you current in meeting the standards of local and State regulations, national building codes, and Federal standards?

Answer: The Park Restoration and Improvement Program (PRIP) funded over the past several years went a long way toward assuring that park facilities meet minimum codes and standards, especially those that would affect visitor health and safety. The Service's large inventory of facilities represents investments over many years. Due to age and condition of many of these facilities, continued attention is needed to inspect, repair, rehabilitate and reconstruct those that have deteriorated beyond their useful life or that no longer can be made to meet modern codes.

In addition, new requirements for environmental protection and for handling hazardous and toxic substances continue to impose new requirements on park maintenance managers. The Service continues to take all reasonable steps to assure compliance with essential codes and regulations.

26b. There has been an effort in recent years to replace Federal workers with contractors. How much of this has taken place over the last three years?

Answer: The Service has replaced very few full-time employees with contractors; however, due to funding and staffing constraints, some projects have been contracted where it was cost-effective. Public Law 98-540 restricted earlier efforts to contract under the requirements of OMB Circular A-76 until after fiscal 1988. The Service expects, however, that as the maintenance management system is implemented, projects that can be shown to be more cost-effective if handled by contract will be considered for competitive bid.

26c. Question: Have you been able to document savings as a result of using contractors?

Answer: Generally, contracting of maintenance and repair is used when it can be shown to be more efficient or more cost-effective. This practice has been in effect for many years, and no convenient records exist as to the number of such contracts or estimated savings. The Service's goal related to maintenance is to achieve improvements to existing methods so as to permit increased productivity within the existing level of funds and FTE resources. In many instances, the use of contractors for specific activities is an essential way to accomplish this goal.

Cyclic Maintenance

27a. Question: There is a request of $18,419,000 for cyclic maintenance. Cyclic maintenance is defined as specific maintenance activities performed on a fixed periodic basis when the work is predictable and the cycle is longer than once a year. Is the cyclic maintenance money all distributed by the regions or are there some parks that receive a set amount each year?

Answer: Cyclic maintenance funding is allocated to the Regional Offices, which, in turn, distribute the funds to the park areas. Through a formulation exercise conducted at the Regional Office level, funds are allocated to parks through a priority-setting process based on requirements identified annually by the parks.

27b. Question: What have you done to standardize the use of cyclic maintenance funds among the regions?

Answer: The Service has reissued guidelines, as part of the instructions for developing financial plans for fiscal year 1986, that clarify the criteria for cyclic maintenance projects and direct each Regional Office to closely monitor the programming and expenditures of cyclic maintenance funds. Adjustments were made in the 1987 Budget Justifications so that cyclic funding more accurately reflects projected cyclic project needs. A year-end accomplishment report will be prepared by each Region that documents how programmed funds were actually spent and accounts for any significant charges from budgeted amounts.

27c. Question: The justification (NPS-49) indicates that more comprehensive guidelines and instructions for development and execution of the program are in the process of being updated. When do you expect to have the revised guidelines in place? Would you please provide the Committee with a copy of the guidelines?

Answer: Interim guidelines that clarify the criteria used to identify cyclic maintenance work have been issued as part of the instructions for developing financial plans for fiscal 1986. As part of the process to develop overall budgetary guidelines, which is being undertaken during fiscal year 1986, the Service expects to produce comprehensive guidelines for development and execution of the Cyclic Maintenance Program. The finished product will include the establishment of project requirements, based on strict criteria and projected over a 10-year cycle, which will form the basis for program funding allocations and execution. At the time the comprehensive guidelines and 10-year program are completed, the Park Service will forward a copy to the Committee.

Maintenance Management System

28. Question: Last year you told us of plans to implement a maintenance management system. Please tell the Committee what progress you have made in implementing the maintenance management system and what impact it is having on the maintenance system in the Parks?

Answer: In response to Public Law 98-540, the Service is in the process of implementing maintenance management throughout the National Park System. We have reported on this to the Committee in 1985.

At the present time, the National Capital Region has awarded a contract to implement maintenance management throughout the Washington metropolitan area over the next several years. Maintenance management is already in operation at Rock Creek Parkway, Greenbelt, Baltimore-Washington Parkway, and Catoctin Mountain Park, and implementation is beginning at other National Capital Region areas. Results of ongoing maintenance management programs show that a substantial reduction in backlogged work can be achieved. Park managers and workers are very pleased with the results. Maintenance management is also in operation at Rocky Mountain National Park.

A Servicewide contract for maintenance management implementation in parks throughout the other nine Regions is expected to be awarded this June, with full implementation to be completed within 3 years.

Because this will require substantial changes to the way that each park area plans and carries out maintenance activities, we are proceeding with phased deliberate action. Our present staff of highly skilled and dedicated maintenance employees will have the opportunity to obtain the necessary management training and experience with maintenance management. This will enhance their ability to achieve efficiency and effectiveness within available funding and staffing constraints.

Initial pilot projects have demonstrated that maintenance management can provide better management information and enhance management's ability to assure that available maintenance resources are used in the most effective manner.

Yosemite Hydroelectric Plant

29a. Question: There is a request for an additional $700,000 for Yosemite National Park as a result of closing down the Park's hydroelectric plant. Power must now be purchased from Pacific Gas and Electric. When will the hydroelectric plant be shut off?

Answer: The hydroelectric plant was shut off August 28, 1985.

29b. Question: What is the basis for the $700,000 estimate? Is that the value of the electricity generated by the hydroelectric plant?

Answer: The $700,000 estimate is based on projected cost to purchase electricity rather than generate electricity at the currently unuseable hydroelectric plant, less the cost savings of not operating the hydroelectric plant, less projected revenue adjustments for electricity use in the park by non-NPS users. This amount represents the projected net cost to Yosemite National Park for purchasing electricity rather than generating it.

29c. Question: What do you plan to do with the existing facilities associated with the hydroelectric plant?

Answer: The existing timber crib dam, intake structure, steel pipeline, penstock and surge tank, along with the sediment behind the dam will be removed and the dam site restored. The existing historical powerhouse building will be rehabilitated and will house the new switchgear.

29d. Question: What will it cost to remove those facilities?

Answer: Cost of removal is estimated at $1,069,000 and is included under Yosemite package 473b: Electrical Distribution System, Demolish Penstock.

30a. Question: There is a request of $85,000 for Golden Gate National Recreation Area to maintain a minimum maintenance effort and to provide adequte security measures for the mothballed Haslett Warehouse. On an annual basis, what income has the Park realized from rental of the Haslett Warehouse?

Answer: Prior to the decision for closure, the fiscal 1986 income was projected at $1,137,000.

30b. Question: Has Golden Gate National Recreation Area been able to use this money to offset park operating costs? If so, how will loss of this income be offset?

Answer: Public Law 95-625, as amended, included a special provision that allows Golden Gate National Recreation Area to lease the facility and retain the income. In fiscal 1986, it was projected that $780,400 would be used to support the maintenance and preservation of the Historic Ships that are part of the collections of the National Maritime Museum. The balance of the projected revenue, $356,600 would have been used for the management of the Haslett Warehouse, including maintenance and rehabilitation, service contracts, and related management expenses. In fiscal 1987, $780,400 has been programmed from repair and rehabilitation funds to replace the lost revenue allocated for maintenance of the Historic Ships.

30c. Question: When will the building be offered for lease and development through the Historic Structures Leasing program?

Answer: The Historic Structures Report was released for public review and comment on March 18, 1986. The Golden Gate National Recreation Area Citizens Advisory Commission is scheduled to review the report at the Commission meeting scheduled for April 9 and will hear public testimony at their May meeting. There will be a subsequent meeting in June for the Citizens Advisory Council to offer advice to the park based on the public input. Based on this sequence of events, the Request for Proposals is scheduled for issuance during August 1986. The process for reviewing proposals, awarding a lease and completing the construction is expected to take at least 2 years.

Congressional Add-ons

31. Question: In FY 1986, the Congress identified specific needs at 8 Park areas. (NPS-50) Are those funds carried forward into the FY 1987 request for the same parks in the same amounts?

Answer: In fiscal year 1986, Congress directed the National Park Service to provide for specific needs at eight park areas within available funds. The Service has complied with this directive and made these funds available out of the Regionwide Repair and Rehabilitation Program. Funding for these activities at the eight park areas is not included in the fiscal year 1987 budget request.

Hazard Potential Dams

32a. Question: According to the justification (NPS-51), 22 significant hazard potential dams under NPS management will receive formal safety inspections every five years. Whose standard is the once in five year formal safety inspections?

Answer: This standard is met by the President in the Federal Guidelines for Dam Safety, page 34. This inspection indicates the condition of dams and the degree of operational maintenance or rehabilitation required. The hazard potential classification is also reevaluated during these inspections.

32b. Question: Why are these dams listed as "hazard potential?"

Answer: This hazard potential classification procedure indicates the risk that dams pose to downstream areas and is not an indicator of maintenance or safety deficiency. HIGH or SIGNIFICANT hazard potential dams would cause loss of life and property and natural resource damage if they were to fail.

32c. Question: Are there other inspections of these hazard potential dams on a more frequent basis?

Answer: Yes, by agreement, the Bureau of Reclamation performs intermediate inspections every 2½ years on the 22 National Park Service HIGH or SIGNIFICANT hazard potential dams.

Additionally, park personnel perform annual operational and maintenance inspections on all 263 National Park Service dams.

Energy Conservation Program

33a. Question: The justification (NPS-52) indicates that the $528,000 and 9 FTE's for an energy conservation program support the salary and related management costs of energy program coordinators at the Washington and 10 Regional offices. How can each regional office have an energy coordinator if there are only 9 FTE's? Is this an indication that energy conservation is not given a very high priority?

Answer: The $528,000 is for the management costs needed to administer the program in Washington and the Regions. The Regional Energy Coordinators perform other duties in addition to energy management, and thus, less-than-full-time FTE's have been allotted to most Regions for energy management.

The Park Service believes that the objectives of the Energy Conservation Program continue to be worthwhile and has taken the initiative to reduce costs by setting its own goal of improving its British Thermal Unit/Gross Square Footage efficiency by 10 percent by 1990, compared to its average efficiency for fiscal 1976 through 1985.

33b. Question: How much of the maintenance funds would you estimate go to projects that are identified as energy conservation projects?

Answer: We know of no projects that are identified as strictly energy projects and for which maintenance funds have been redirected. Energy efficiency improvements are integrated into the design of all projects. While this may slightly increase the cost of these projects in some cases, we have not separately tracked these cost increases. For the most part, Regional Energy Coordinators provide technical assistance to achieve improved energy performance through improved design and choice of materials.

33c. Question: Are there any built in incentives for a superintendent to emphasize energy conservation?

Answer: It is in the best interest of a Superintendent to be concerned about energy conservation due to potential budget savings that may accrue. This is especially true in this era of reduced Federal spending. Savings in utility costs can provide a park area with the means to continue efforts in other areas of park operations.

33d. Do you have any sense of savings you can make if oil prices continue to drop?

Answer: We have energy consumption data only through the first quarter of fiscal 1986 (December 31, 1985) before the large drop in oil prices occurred. Our data indicates that from fiscal 1983 through fiscal 1985, the National Park Service used about 2.6 million gallons of fuel oil and 460,000 of liquid propane gas per year. In the first quarter of fiscal 1986, the average price for fuel oil was about 98 cents, and the average price for liquid propane gas was about 79 cents per gallon.

We have already used 763,000 gallons of fuel oil and 115,000 gallons of liquid propane gas in fiscal 1986. If we assume that our consumption of fuel oil and liquid propane gas will be about the same in fiscal 1986 as it averaged during fiscal 1983-1985, and that the price of fuel oil drops to 75 cents per gallon and the price of liquid propane gas drops to 60 cents per gallon (25 percent decrease for the remaining three quarters of fiscal 1986), then our costs for fuel oil would drop from about $2,550,000 to about $2,125,000, and our costs for liquid propane gas would drop from about $363,000 to about $298,000. The total reduced costs would be about $490,000 or approximately 17 percent. This estimate does not take into account the potential for increased use that may come about due to the lower price.

33e. Question: What assumption did you make about oil prices when you put together this budget request?

Answer: While there was no Servicewide level set for assumed oil prices, park managers are expected to take current prices or all supplies, materials and utility costs into account when developing their budget requests. For many years the parks were forced to absorb rapidly increasing energy prices. The current decline in price will allow some minor relief from Gramm-Rudman and other budget reductions.

Resource Management

34a. Question: The request for resource management is $86,437,000, a reduction of $9,204,000 from the 1986 base. The amount reduced is to be funded through the proposed fee account. In the Anchorage Daily News, for Friday, September 20, 1985, Mr. Mott said that he will be shifting more research to Alaska "because this is virgin territory and we can't afford to make a mistake. We're going to do it right in Alaska." The article goes on to say "Mott said he wanted to double scientific research in Alaska's park system." What are the major research needs in Alaska?

Answer: Two natural resources research needs not totally unique to Alaska, although certainly unique and unparalleled in their magnitude here, are paramount: (1) the need for information, as mandated by the Alaska National Interest Lands Conservation Act to manage consumptive uses of natural resources and (2) the need for information to establish baselines of ecological conditions from which to measure and evaluate changes. Most of the new park areas are open to subsistence hunting, fishing, trapping, gathering, tree cutting and related access and cabin building and use; and the preserve are, in addition, open to sport hunting and trapping although mandated to be managed as parks in all other ways. Certain of the consumptive uses and ancillary activities are permitted only if they are continuations of historical or traditional patterns. Increasingly, political and legal procedures are employed to assert such patterns, or to challenge them. We must be capable of validating or invalidating such assertions in order to assure appropriate stewardship of the parklands. Other major concerns are increasing visitation, usually concentrated along rivers and other access corridors where fragile northern environments are susceptible to damage; and industry, tourism, development and mining, which are publicly encourage, State subsidized, and expanding inexorably.

34b. Question: How does this budget request accommodate these research needs?

Answer: In fiscal year 1987, funds from the Regional science base, air quality, water quality, and Natural Resource Preservation Program will fund 20 priority research projects in the Alaska Region.

34c. Question: Are you in fact shifting research resources from other park areas to Alaska?

Answer: No research funds have been shifted from the base budget of any park or Regional Office to increase research activities in Alaska. However, the needs of Alaska will be given a high priority in the allocation of project funds from the Servicewide Natural Resources Preservation Program in 1986 and future fiscal years.

Mining and Minerals Management, Alaska

35a. Question: There is an increase of $2,700,000 requested for FY 1987 to bring the Alaska Minerals Management Program into compliance with a Federal District Court Order. A supplemental $3,200,000 is also requested for the same purpose. According to the Anchorage Daily News, the judge ruled that the National Park Service failed to conduct adequate environmental studies of the effects of mining operations in seven National Parks. How many and what type of mines are involved in the court order?

Answer: The number of mining operations in Alaska park units is dependent on the fluctuating price of gold. Renewed interest in many currently inactive mining claims will likely occur if gold prices rise. Over the last 3 years, an average of 30 mining operations have been approved in the three units where court-ordered Environmental Impact Statements are being prepared. However, this figure represents 50 different operators, some of whom did not apply to operate in consecutive years. In addition, an average of six mining plans have been approved over the last 3 years in the remaining five park units with outstanding mining claims.

It is reasonable to assume that any of the 50 operators in Denali, Wrangell-St. Elias, and Yukon-Charley who had approved mining plans in the last 3 years may submit plans in fiscal year 1986, fiscal year 1987, and fiscal year 1988 while the Environmental Impact Statements are being prepared. Additionally, up to ten new operators could potentially submit plans for National Park Service approval. Therefore, it is estimated that approximately 60 mining operations could potentially be affected by the court order in these three units. The operations in the other five units with mining will be affected by the court order to the extent that no temporary approvals will be granted in the future and more complete plans of operations will be required. In fiscal year 1986, this could mean delayed start dates for all operators.

Placer gold claims compose the large majority of operations in Alaska, varying from small-scale suction dredges to medium-scale placer mines working 180,000 cubic yards of material per season. Small-scale lode mines compose the remainder of operations, extracting minerals such as antimony, silver, lead, zinc, and copper.

35b. Question: What will the $2,700,000 allow you to do? How many environmental impact statements must you prepare? Will this be a continuing requirement?

Answer: The $2,700,000 will enable the Alaska Regional Office to staff with the necessary technical mineral management and environmental expertise to adequately meet most short-term program and project requirements imposed by the litigation and long-term programmatic requirements of a comprehensive mineral management program in Alaska. With this funding, this office will be fully equipped to evaluate and process all proposed plans of operations for all Alaska park units (projected 40 to 60 per year), prepare all necessary environmental and regulatory compliance documents, monitor all active operations on a regularly scheduled basis to ensure compliance with all aspects of the approved plan, ensure reclamation and adequate protection of national park resources, and enhance public safety through a mine hazard and waste cleanup and stabilization program.

Three Environmental Impact Statements must be prepared, one each for Denali and Wrangell-St. Elias National Parks and Preserves, and Yukon-Charley Rivers National Preserve. The preparation of these Environmental Impact Statements is required under the current litigation and will be a one-time, nonrecurring effort for these three park units commencing in fiscal year 1986 and ending in fiscal year 1988.

Of the $2.7 million, $2.3 million will be a continuing requirement in fiscal year 1988 and beyond.

35c. Question: Prior to the court order, what involvement did you have with the mining operations going on in the Park?

Answer: Prior to the court order, there were 35 to 50 proposed plans of operations received annually by this office for mining operations within 8 of the 12 National Park Service units in Alaska. This resulted in approximately 25 to 40 active mining operations actually occurring each year in those units. The existing Regional Office staff, up until the court order, was composed of four professionals. These individuals had the responsibility for processing all proposed plans of operations, field monitoring all active operations, initiating enforcement actions against violators and otherwise administering the Minerals Program.

35d. Question: To what extent is the problem attributable to a lack of staff resources in Alaska?

Answer: The lack of sufficient National Park Service staff resources in the Regional Office and park units was a principal reason for the Mineral Management Program shortfall in Alaska.

35e. Question: What have you done since the court order to bring the mines into compliance?

Answer: The July 22, 1985, court injunction and the December 12, 1985, court order resulted in the cessation of all mining operations in Denali, Wrangell-St. Elias, and Yukon-Charley Rivers until Environmental Impact Statements are completed for those units, except where the court determines that there will be no cumulative impacts from such activities. Thus, for operations proposed in those three units for the 1986 mining season, this office has established a system for reviewing and evaluating proposed plans of operation which strictly adheres to the requirements of the National Park Service mining regulations found at Title 36, Part 9A of the Code of Federal Regulations. If a proposed plan does not meet our minimum completeness criteria, it is rejected and returned to the applicant with an explanation of why the National Park Service cannot approve the plan. This process of reviewing proposed plans and rejecting them as incomplete will continue indefinitely until the operator submits a proposal which contains all the information necessary for the National Park Service to complete an environmental impact analysis and make a decision regarding approval. In addition, all 1986 and future mining operations in Alaska park units will be inspected for plan compliance and resource protection on a regular basis and more frequently than has been done in the past. Fully adequate performance and reclamation bonds will be required of all operations approved for 1986 and in the future, and such bonds will not be released until reclamation which meets National Park Service standards is accomplished.

The National Park Service prepared and forwarded to miners/claimants a guide to National Park Service Regulations governing mining and mining claims to assist them in the preparation of adequate plans of opertions. The Region and parks have increased or are recruiting to increase staff to handle the workload. Four mining engineers/geologists and six environmental specialists are already on staff.

35f. Question: What have you had to give up this year in order to accommodate the situation in Alaska?

Answer: Many projects funded by the National Resource Preservation Program or the Cultural Resources Preservation Program scheduled for fiscal year 1986 were postponed. The list is as follows:

Natural Resources Preservation Program

Park	Project Title	Funding ($ in 000's)
Acadia National Park	Develop Conservation Easement Monitoring Program	$20
Assateague Island National Seashore	Remove Abandoned Roadway	50
Bering Land Bridge National Preserve	Reindeer/Wildlife Interaction Study	90
Big Bend National Park	Determine Distribution of Rare or Threatened Plant Species	35
Big Cypress National Preserve	Control of the Exotic Plant, Melaleuca	50
Big Cypress National Preserve	Minerals Management	75
Big Cypress National Preserve	Florida Panther Status	100
Cape Cod National Seashore	Natural and Human Impacts on Deer Populations	40
Cape Cod National Seashore	Natural Resource Impacts (GIS)	30
Carlsbad Caverns National Park	Study Bat Population Decline	60
Congaree Swamp National Monument	Ecosystem Analysis	30
Crater Lake National Park	Impacts of Geothermal Development	35
Death Valley National Monument	Restore Desert Waters	97

Park	Project Title	Funding ($ in 000's)
Delaware Water Gap National Recreation Area	Hunting/Trapping Impacts on Populations of Biota	80
Fire Island National Seashore	Health Risk Assessment of Mosquito Population Dynamics	100
Fire Island National Seashore	Exotics Control	20
Gates of the Arctic National Park and Preserve	Impacts of Harvest on Lake Fish Populations	75
Gates of the Arctic National Park and Preserve	Study Off-Road Vehicle Access	75
Gates of the Arctic National Park and Preserve	Wolf Den Site Study	80
Glacier Bay National Park and Preserve	Bear Ecology Study	50
Glen Canyon National Recreation Area	Prepare Grazing Management Plan	50
Glen Canyon National Recreation Area	Develop Minerals Management Program	15
Grand Canyon National Park	Aircraft Impact Study	50
Great Smoky Mountains National Park	Brook Trout Habitat Restoration	25
Harpers Ferry National Historical Park	Exotic Species Impact	15
Hawaii Volcanoes National Park	Research Feral Pig Control Methods - Part 2	38.1
Independence National Historical Park	IPM for Formal Landscape	75
Indiana Dunes National Lakeshore	Oak Savannah Restoration	35
Isle Royale National Park	Soil Survey	40
Jean Lafitte National Historical Park and Preserve	Aquatic Vegetation Study	41
Katmai National Park and Preserve	Assess Harvest Effects on Bear Population	60
Kenai Fjords National Park	Bird and Marine Mammal Study	25
Manassas National Battlefield Park	Stream Life Survey	15
Midwest Region	Fire Ecology, Great Lakes Parks	60
Mount Rainier National Park	Soil Stabilization/Revegetation in Subalpine Environment	53
National Capital Region-Central	Pest Inventory	15
New River Gorge National River	Inventory Oil/Gas Reserves Situation, and Assess Impacts of their Development	10

Park	Project Title	Funding ($ in 000's)
Olympic National Park	Rare/Threatened/Endangered Species Study	35
Ozark National Scenic River	Land Recreation Management	20
Padre Island National Seashore	Assess Oil/Gas Impacts	35
Pictured Rock National Lakeshore	Boundary Survey	60
Prince William Forest Park	Map Wildlife Habitat	30
Redwood National Park	Redwood Creek Restoration	56.4
Rock Creek Park	Design/Install Fish Ladders	60
Rocky Mountain National Park	Habitat Mapping	20
San Juan Island National Historical Park	American Camp Reforestation	15
Saratoga National Historical Park	Interaction Between Deer and Vegetation	29
Shenandoah National Park	Abate/Control Erosion	30
Southwest Region	Hunting/Trapping Impact Study	90
Theodore Roosevelt National Park	Develop Fire Management Plan	12
Theodore Roosevelt National Park	Monitor Elk Restoration Project	7
Yosemite National Park	Install Bear-Proof Lockers	63
Yosemite National Park	Protection of Peregrine Falcons	82
Zion National Park	Protect Endangered Plants	16.5
		2.6 million

Cultural Resources Preservation Program

Acadia National Park	Prepare Carriage Path System Historic Resource Study	30
Bering Land Bridge National Preserve	Cultural Resources Inventory, Phase II	36*
Big Cypress National Preserve	Archeological Salvage of Platt Island Site	32
Chesapeake and Ohio Canal National Historical Park	Stabilize and Repair Stone Wall	33
Fort Davis National Historic Site	Construct Historical Base Map of Fort Davis	5*
Fort Jefferson National Monument	Archeological Testing of Ludert-Cooper Site	25
Fort Laramie National Historic Site	Preserve Cavalry Barracks	8*
Fort Laramie National Historic Site	Stabilize Burt House	62
Gettysburg National Military Park	Stabilize Trostle Barn	58

Park	Project Title	Funding ($ in 000's)
Hot Springs National Park	Emergency Stabilization of Bathhouses	20*
Lincoln Home National Historic Site	Stabilize, Restore Cook House	60
Lowell National Historical Park	Archeological Survey, Site Exam and Analysis, Phase II	40
Manassas National Battlefield Park	New Lands Cultural Resources Survey	7*
National Capital Regional Office	Conserve Park Museum Objects	30
Nez Perce National Historical Park	Archeological Overview and Base Map	15
Nez Perce National Historical Park	Historic Structures Preservation Guide	4
Pacific Northwest Regional Office	Catalogue Archeological Repositories	7
Padre Island National Seashore	Archeological Survey of Indian and Shipwreck Sites	10*
Pecos National Monument	Conserve/Preserve/Catalog Archeological Artifacts	5*
Salinas National Monument	Stabilize Major Ruins	10*
San Antonio Missions National Historical Park	Stabilize Mission Structures	10*
San Juan Island National Historical Park	Archeological/Enthnographic Study	10
Western Region	Catalogue Museum Collections	78
Whitman Mission National Historic Site	Administrative History	5
		600

*Reductions to active projects

Research Resources

36. Question: The situation in Alaska where staff and dollar resources have had to be thrown at an immediate problem may reflect a problem with the research program of the National Park Service. Too much effort may be expended reacting to problems rather than trying to anticipate and prevent. How much of your research resources, of necessity, are used to address immediate or short term problems rather than stay on a steady course to look at long range research which can provide good baseline information?

Answer: All of the Service's research is intended to support resource management decision making. Most of the project research consists of park-oriented, 1 to 3-year duration investigations designed to answer very specific, narrow resource questions. Almost all of the monitoring is conducted to develop baseline data that will reveal resource change over time or otherwise support decision making actions. Some of these project-specific and monitoring activities ultimately become useful as components of longer range, process or policy oriented research that yields information applicable to several parks with common problems or to development of Servicewide policy. The Service would estimate that 25 to 30 percent of its total research budget would go to long-term problems and monitoring.

Natural Resources Management Trainee Program

37a. Question: On page NPS-63, the Natural Resources Management Trainee program is described. When the program was designed several years ago, was it intended to hire and train graduate students in resources management?

Answer: No. While about half of the trainees have graduate degrees or some graduate level work, the trainees were not hired as graduate students; they were selected from within the Park Service. The program is intended to provide education that would be equivalent to a master's degree level in resources management. Consideration has been given to trying to link the program with a university or consortium of universities and structuring it to allow trainees to seek a degree in connection with the program. However, the benefits of being able to have courses provided by the particular institution or organization recognized as highly expert in a specific course's subject matter and of giving trainees an opportunity to observe diverse resources and ecological systems throughout the country, outweighed the benefits of a degree program which would have constrained the course locations and providers.

37b. Question: Has the program in fact brought new resource managers into the Park Service?

Answer: The Natural Resource Trainee Program was initiated to increase the number of people who are full-time natural resource managers and to create a cadre of highly competent natural resource managers in the National Park Service. The first class of 32 trainees brought their positions with them. However, the 23 people brought into the Training Program in fiscal 1985 were placed in new positions. Most of them were in park resource management positions when they were selected, and the parks from which they were selected were allowed to fill the positions vacated. After completion of the program, the present trainees will be placed in newly created natural resource management positions in other locations where their expertise is needed. This should result in an increase in the total number of trained natural resource managers in the Park Service. By the end of fiscal 1986, 55 people will have completed the Natural Resource Trainee Program.

37c. Question: How do you plan to redesign the program? Doesn't this really mean that you are terminating the program?

Answer: The Trainee Program in its current form is being terminated in fiscal 1987 with the 23 FTE's and all but approximately $250,000 of the funding distributed to the Regions. The residual funds will be used to provide natural resource specialists from the Regions with specialized training to improve their expertise in natural resource management needs, and options for providing this training are being explored at the present time.

37d. Question: What was wrong with the program as it existed?

Answer: Nothing is basically wrong with the program, except that it is a very expensive way to provide this training. It is a well regarded program that broadens the perspective of trainees and improves their capabilities as resource managers to deal with the complex and varied threats to natural resources and with the implementation of natural resource protection and preservation programs. However, the Service believes the same basic benefits can be obtained through a much less expensive (funds and FTE's) Servicewide Training Program.

37e. Question: What training programs will remain in natural resource management?

Answer: The natural resource component of the Servicewide Training Program is funded separately from the Trainee Program and is aimed at increasing the expertise of natural resource managers and their supervisors in handling specific natural resource topics. While the natural resource management component of the Servicewide Training Program has been greatly expanded in the last several years, because of the single course nature of the Servicewide Program, it does not have the breadth and depth of the Trainee Program. The objective of the Servicewide Program is to provide at least one course every year for full-time park natural resource specialists.

Courses will be offered for the first time on Vegetation Management, Wildlife Management, and Mining and Minerals Management. Through the Servicewide Training Program, we are also producing videotapes on a variety of topics, including geographic information systems, integrated pest management, air quality, coastal barriers, and mining impacts on parks.

Natural Resource Preservation

38a. Question: The Committee received testimony from the National Audubon Society that, "A study of the requirements for natural resource preservation for the next five years, made by the Park Service 3 months ago, showed that for National Park System units in Alaska alone, $10 million will be required for carrying out 64 essential projects. At least another $40 million is needed to fund some 300 additional projects in the other nine regions." To what extent does the FY 1987 request provide for the problems identified in the study referred to by the National Audubon Society? Does the funding provided allow you to work at full capacity to solve these problems?

Answer: The Regional Offices recently were asked to provide an estimate of their 5-year unmet natural resource need that are documented in park Resource Management Plans. The magnitude of this 5-year unfunded need for the Service was some $234 million. Approximately $7 million is expected to be available in fiscal year 1987 to carry out the highest priority projects only.

38b. Question: What is your strategy for taking care of the problems that you have identified?

Answer: We start with those problems that have the highest priority and fund projects sequentially down the priority list until we use up all available funds. The remaining projects and new projects that are added to the list will be funded in priority order as funds become available through completion of higher priority projects. In addition, we will continue our ongoing efforts to solicit cooperative and volunteer contributions to our problem solving efforts.

38c. Question: How time critical are these problems?

Answer: Some problems, such as protection of native ecosystems in the Hawaii parks, quantifying park water needs for adjudication in State courts, or development of air quality, visibility, and related values data bases, must be completed soon or resources will be lost or opportunities to prevent resource loss thrugh influence on regulatory processes will be forfeited. Other problems, such as research on ungulates or predators in some of the Alaska parks, do not need to be done instantly, although an extended delay in conducting the research may lead over the long-term to permanent reductions of their population sizes or of available habitats. The goal of our priority setting process is to ensure that those projects that are both the most time sensitive and that deal with the most critical resource needs are the projects that are funded first.

International Park Affairs

39a. Question: The request for International Park Affairs is $423,000, a reduction of $368,000 from the 1986 base. The reduction includes the US/ICOMOS ($119,000) and Western Hemisphere Technical Assistance Projects ($249,000). One of the points in Mr. Mott's 12-Point Plan is to share effectively with the public our understanding of critical resource issues. Specifically, the plan states: "We intend to communicate both here and abroad the importance of ecosystems and their processes, not just individual features." Given this statement, why do you propose to eliminate or cut back on activities which support your plan?

Answer: These programs and activities simply have a low priority relative to other needs in operating the National Park System, and they are in no way essential to the implementation of the Director's 12-Point Plan. Communicating the importance of ecosystems and their process is already done in many ways.

39b. Question: Why would you want to cut off aid to ICOMOS as it approaches hosting the World Meeting in October 1987?

Answer: Support for the International Council on Monuments and Sites is simply a very low priority for the National Park Service. Funding has been directed toward higher priorities related to operating the National Park System. The International Council on Monuments and Sites is peripheral to the mission of the Park Service.

Water Resources Study

40a. Question: The request for water resources studies is $2,909,000, an increase of $1,000,000 over the 1986 base. The increase is to respond to court-ordered water rights adjudication as required under the McCarran Amendment. How many water rights cases do you currently have?

Answer: At this time, the National Park Service has 103 pending cases. The majority of these cases are in the western United States with the heaviest workloads in Alaska, Arizona, Colorado, California, Kansas, Montana, New Mexico and Oklahoma.

40b. Question: How many additional cases will the additional $1,000,000 allow you to adjudicate?

Answer: The increased resources will enable us to adequately address most of the 103 pending cases in an orderly fashion. Specifically, these resources will be used to perform necessary water needs studies involving data collection and analysis, determine instream flow requirements for ecosystem maintenance, identify and inventory Federal reserved and appropriative water rights, determine future water needs, reactivate the Service's water rights data management system, and prepare water rights dockets for park unit water rights.

40c. Question: Are you now having to pull people from other projects in order to keep up with the water rights cases?

Answer: Yes, individuals from the National Park Service Applied Research Branch, Water Services Branch, External Affairs and Planning Unit, Regional Offices, and park units have had to defer other important functions to provide support to the water rights effort.

41a. Question: Are there places in the Park System where the quality of water is a problem from sources either inside or outside the park?

Answer: There are numerous places in the National Park System where the quality of water is a problem. Following are examples of some problems that have been identified:

> Chickasaw National Recreation Area - Sewer line leakage from an adjacent town is contaminating a stream in the park that is used for swimming, wading, and other kinds of recreation.
>
> Congaree Swamp National Monument - There is suspected contamination by heavy metals from industrial sources upstream of the park.
>
> Friendship Hill National Historic Site - Acid mine drainage from abandoned deep coal mines and old strip mines is causing pollution of streams which flow through the park.
>
> Glacier National Park - A proposed coal strip mine in Canada, 6 miles upriver from the park, is the subject of a water quality impact study being conducted under the auspices of the International Joint Commission.

41b. Question: What, for example, prompted you to conduct a water monitoring program at Gettysburg National Military Park?

Answer: A known chemical spill occurred at an industrial site at the town of Gettysburg, in very close proximity to the park and, in particular, to two historic structures occupied by park personnel. We suspect contamination of ground water that serves as a potable water supply. An awareness of such potential problems led to a parkwide investigation of ground water quality.

41c. Question: One of the activities presented in the justification is to determine the fate and transport of heavy metals and persistent organic contaminants in aquatic ecosystems of selected parks. It is indicated that initial focus is on Gateway, Upper Delaware, Great Smoky Mountains and three others. (NPS-85) Does this mean that you suspect problems in other areas but have not yet had the resources to investigate the possible problems?

Answer: Similar problems are suspected to exist in other areas, such as heavy metals concentration in Lake Powell (Glen Canyon National Recreation Area) as detected in fish flesh. We are attempting to address other problem areas as our resources permit.

41d. Question: How did you determine these studies were needed?

Answer: Generally, the need for a study to address water quality problems in a park area is identified when park staff observe serious symptons such as dying plants or fish or when samples taken for required, routine drinking water testing fails to meet Public Health standards.

Development in Alaska

42a. Question: An article in the New York Times of September 16, 1985, indicates a concern that development in Alaska is and will have a negative impact on the natural resources of Alaska and its parks.

> "Inside the Lake Clark National Park and Preserve a rural Levittown is in the making, where some 250 building lots are now for sale... The purchaser is offered 'unsurpassed hunting' at his very door -- which is not surprising because the preserve is notoriously rich in the big game it was established to protect."

What is your strategy for development of the park areas in Alaska and for protection of the natural resources?

Answer: Development of land resources within parklands in Alaska should be considered in two separate categories:

> First, that development which is proposed by park management to provide needed visitor use facilities (campgrounds, lodges, comfort stations, visitor centers, administrative facilities, and aircraft landing strips). To the extent that it is practical to do so, private landowners are encouraged to provide such services or improvements when privately owned lands exist in the appropriate areas and when such developments are consistent with the park's General Management Plan. In certain cases, in order to develop park facilities, it may be necessary to acquire or lease private lands outside the Park System unit boundary for administrative facilities, quarters, and maintenance facilities.
>
> Second, that development which is the exercise of private landowner prerogative. The vast majority of privately owned tracts of land within the Park System unit boundaries are unimproved. Homesteads, native allotments, native regional and village corporation selections, and State selections encompass more than 2 million acres inside these Alaskan boundaries. The State of Alaska and native corporations are exploring means to make much of their lands economically productive. Other private landowners are considering development for personal residence or subdivision and resale. Still others are considering commercial developments.

In some areas of the Park System units, certain types of development are desirable and in fact needed. Efforts to elicit cooperation from landowners are underway to guide the extent and character of development to enhance compatability.

In other areas, development of the type and extent proposed may be incompatible. Efforts to minimize adverse impacts or prevent incompatible development vary from creation of cooperative agreements to proposed acquisition of certain development rights or purchase of fee simple interest.

All reasonable efforts will be extended to provide the landowner an opportunity to exercise his rights and at the same time eliminate or minimize adverse impacts on Park System unit resources. If an unresolvable conflict is encountered, acquisition of the tract with appropriate compensation to the landowner may be the only alternative.

The balance between development and protection of Park System unit resources is the overall objective.

42b. Question: Is it true that you only have four permanent rangers to patrol an area roughly equivalent in size to Massachusetts at Denali National Park and Preserve?

Answer: There are five commissioned rangers at Denali; one is th chief ranger who has little or no time available for patrol work; one handles concessions, permits, and subsistence coordination and is available for patrol less than 5 percent of his time; and three district rangers who patrol less than 20 percent of their time due to other nonpatrol resource management and administrative duties. This will be increased with the addition of a ranger/pilot and aircraft.

The presence of two resource management people and several other uniformed people in the field is also of value with respect to some aspects of "patrol."

In summer (not the most serious poaching season, but the season of the heaviest use), there are 15 seasonal rangers whose primary duties are patrol. This number includes three mountaineering rangers, four rangers assigned to the east district of the park, and eight assigned to the west district. These 15 people must provide, on the average, 18-hour coverage per day, 7 days a week during this summer season.

42c. Question: According to the Times arcticle, at least 12 percent of Denali's meager wolf population was lost to poachers. Do you have a management plan in place to protect the wolves and other animals as well?

Answer: Yes, a draft Resource Management Plan has been developed. In addition, a ranger/pilot and aircraft will be assigned to Denali to provide a further deterrent to poaching as soon as the aircraft is acquired.

Mary McLeod Bethune Council House National Historic Site

43. Question: There is $99,000 budgeted for contractual aid to the Mary McLeod Bethune National Historic Site. Why doesn't the Park Service have a responsibility beyond the amount budgeted?

Answer: It must be noted that while the Bethune Museum and Archives is a national historic site, it is still in the ownership of the Council, and this fact, along with the limitations imposed by the enabling legislation, does not permit the Service to assume any other responsibilities at the site over and above technical assistance and the administration of the financial assistance provided by the Cooperative Agreement.

Pursuant to the legislation and the Cooperative Agreement between the National Council of Negro Women and the United States of America, Department of the Interior, National Park Service, National Capital Region dated November 17, 1982, the Service has, among other things, provided:

1. landscaping plans for the garden area at the site;
2. advice on the language to be used to mark the site;
3. assistance is coordinating efforts to commemorate the Council's 50th anniversary;
4. technical assistance in staging the marking ceremony and the Bethune stamp dedication; and
5. consultation with the Bethune Museum and Archives on matters that relate to other National Park Service items, i.e., Frederick Douglass Home.

Central Office Administration

44. Question: Last year, the justification (FY 86, Part 1, p. 749) indicated that savings would be achieved through reduction of the number of positions in GS grade levels 11 through 15, and consolidation of Administrative support functions in the Washington, D.C., Office. Have you made the reductions in positions and accomplished the consolidation of Administrative support functions as presented? If not, how have you adjusted to the budget reduction?

Answer: The Service has reduced the number of positions in GS grade levels 11 through 15 by 44. This was accomplished by restructuring positions and filling them at lower grades. We intend to continue reviewing positions and anticipate further reductions during fiscal year 1986.

A number of reductions in the administrative support functions has occurred. Those reductions have occurred through minor consolidations and internal restructuring of organizations and positions. It is anticipated that these activities will continue as we seek to ensure the most effective organizational alignment for accomplishing the administrative functions.

Regional Office Administration

45. Question: Regional Offices have also had to take significant reductions in administrative costs. (FY 86, Part I, p. 750). How have the regional offices made the administrative cost reductions which were made as part of the FY 1986 budget proposal?

Answer: Regional Offices have undergone intensive management review of their administrative support structures. These reviews have led to the systematic analysis of all vacant positions. Where feasible, jobs have been restructured and will be filled at lower grade levels. The consolidation of duties of two or more positions of similar nature has also been achieved in some cases. The management reviews have also revealed that economies could be achieved in Regional Office operations such as reducing office equipment and supply procurement, assigning incumbents with collateral duties which are not in violation of the Office of Personnel Management prescribed Federal employment regulations, and enhancing data processing capabilities. These efforts to achieve savings in Regional Office administration will continue, and the Service fully expects to reach its savings goal.

Servicewide Aministrative Support

46. Question: On NPS-107, Servicewide administrative support is described to include postage, printing, and telephone. Because of Gramm-Rudman, there will likely be the need "to reprogram funds from other activities to cover actual costs for administrative services." Do you know yet whether you will have to reprogram funds for administrative services? If so, how much will it be and where do you think likely sources of funds would be?

Answer: It was necessary to redirect $282,000, originally allocated to Regions and park operating programs, to accommodate the shortfall in the Servicewide administrative support programs resulting from the Gramm-Rudman reduction. A letter detailing these adjustments will be sent to the House Appropriations Subcommittee on Interior and Related Agencies.

Unemployment Compensation

47. Question: In past years, the amount budgeted for unemployment compensation for Federal employees has been inadequate. Based on your current information is the amount budgeted for unemployment compensation adequate to cover the bill you will receive?

Answer: Billing procedures for unemployment compensation have been irregular in timing and inconsistent in amount, making it difficult to establish a trend. However, we believe the amount budgeted will be adequate.

National Recreation and Preservation

48a. Question: The National Recreation and Preservation appropriation is the remainder of those programs which were once a part of the Heritage Conservation and Recreation Service. Proposed reductions limit external Federal recreation programs to a minimum level and eliminate the State and local river conservation assistance program. What activities will you continue under the recreation statistics category?

Answer: We will continue to respond to routine requests for recreation information and statistics. Collection of new material will be limited to that obtained from other sources. We will emphasize networking in responding to information requests by reference to specialized sources of expertise.

48b. Question: What recreation information will no longer be available as a result of the proposed reduction?

Answer: We would not be able to initiate new information exchange and statistical collection efforts. For instance, efforts to continue the series of nationwide recreation surveys would not be possible. Also, other cooperative efforts to collect visitor statistics at Federal sites would not be possible. Reasonably current statistical information used, for instance, for comparison purposes in State outdoor recreation plans would not be available. Analysis of the great wealth of existing data on hand will be curtailed.

Surplus Federal Real Property

49a. Question: The Park Service has the responsibility to verify that surplus Federal real property transferred for park and recreation purposes is used as intended. How much of the request is for your responsibilities related to the transfer of surplus real property?

Answer: Of the request, $80,000 is related to the transfer of surplus real property.

49b. Question: Does the budget request allow you to meet all of your responsibilities? If not, what will you not be able to accomplish?

Answer: With the limited resources available, no allocations can be made to the Field to cover personnel cost and travel to conduct a compliance inspection program. Our compliance monitoring program would be limited to known problem properties. Our efforts to continue our previous biennial compliance inspections would no longer be possible. In addition to monitoring previous problem conveyances, we forego onsite inspection for any new properties, thereby risking potential future compliance problems.

State and Local River Conservation Assistance

50a. Question: Provide for the record the States and rivers being assisted through the State and local river conservation assistance program.

Answer: The following States and rivers are being assisted through the State and Local River Conservation Assistance Program:

State and Local River and Trail Conservation Assistance

Mill and Deer Creek, California Stream Assessment
Utah Statewide Rivers Assessment
North Dakota Statewide Rivers Assessment
Missouri River Cooperative Management Plan, North Dakota
North Carolina Statewide Rivers Assessment
South Carolina Statewide Rivers Assessment
Cooperative Management Plan in one stream in Georgia
Wildlife Federation of Alaska Inventory
Clearwater River, Idaho
Palouse River Greenbelt Plan, Idaho and Washington
Pacific Northwest Rivers Study
Regional Workshops - Rocky Mountain Regional Office,
  Southeast Regional Office, Southwest Regional Office
Conflict Avoidance Strategies Publication
Shepaug River Workshop, Connecticut
Chester River Workshops, Maryland
Lamprey River Workshops, New Hampshire
Ashuelot River Workshops, New Hampshire

Lamington - Black Rivers Workshops, New Jersey
Ottauquechee River Workshop, Vermont
Pocomoke River Protection Assistance, Maryland
Maryland Rivers Study - Statewide Assessment
Westfield River, Massachusetts
Connecticut River Valley Cooperative Management Plan, Massachusetts
New York Rivers - Statewide Assessment
Black River, New York - Conflict Avoidance Project
Bristol-Delaware River Cooperative Management Plan, Pennsylvania/New Jersey
Lehigh River, Pennslyvania
Adirondack Rivers, New York Workshops
Battenkill River Cooperative Management Plan, Vermont
Vermont Statewide Rivers Assessment
Bluestone River Cooperative Management Plan, West Virginia
West Virginia River Recreation Assessment
Hudson River Access Study
New England Rivers Network Workshop
Quinebaug/Quayboag Rivers Corridor Assessment

50b. Question: Do you have any indication of interest from State and local groups for river conservation assistance for FY 87?

Answer: Yes, all of our Regions have had requests for technical assistance in fiscal year 1986 that had to be postponed or scaled down and that could be undertaken in fiscal year 1987 if funds were available.

50c. Question: How effective has this program been in helping in the search for a river to be designated a National Park?

Answer: While the search is just beginning, so far the program has been very effective; especially where the Technical Assistance Program is well established, such as in the Northwest, Northeast, Western and Mid-Atlantic Regions. In these Regions, we have staff who are familiar with the rivers and their resources through their work with the Nationwide Rivers Inventory and more recently their assistance to States in the conduct of Statewide or Regionwide river assessments. Our research has identified that there are only a limited number of undeveloped watersheds remaining in this country. It is our goal that, in addition to identifying potential watersheds that could be conserved by the National Park Service, to encourage conservation actions by other Federal land managing agencies, the States and private organizations.

50d. Question: If the Congress were to continue the program in FY 1987, would requiring a match by local and State groups be a reasonable idea?

Answer: Yes, we try to do that now.

50e. Question: To what extent do these groups provide a match of the funds now?

Answer: Our policy is to ask each technical assistance recipient to have some tangible investment in the project - not necessarily funds, but staff time or other in-kind services, and in fact, most projects do have some form of cost sharing. We need to be flexible as to the amount of match, based upon the ability of the agency or organization concerned.

National Natural Landmarks Program

51a. Question: Natural Landmarks must be monitored by the Park Service to assure that landmarks are not threatened. What authority do you have to take action if you determine that a natural landmark is threatened?

Answer: The purpose of National Park Service monitoring programs is to determine if landmarks are threatened. The National Park Service is required to submit to the Congress an annual report listing those national natural landmarks and national historic landmarks that are threatened or damaged, in compliance with the National Park System General Authorities Act of August 18, 1970 (16 U.S.C. "1a-5, Supp. 1982), as amended by section 8 of the Act of October 7, 1976 (Public Law 94-458; 90 Stat. 1939). The National Parks and Recreation Act of 1978 (16 U.S.C. ""1a-5) authorized $1.5 million for monitoring the welfare and integrity of landmarks.

In addition, section 9 of the Mining in the National Parks Act of 1976 (Public Law 94-429; 16 U.S.C. "1908, Supp. 1982) requires that, when surface mining activity may cause the irreparable loss or destruction of National Natural Landmarks or National Historic Landmarks, the Secretary of the Interior notify the offending party, report to the Advisory Council on Historic Preservation, and request the council's advice as to means to mitigate or abate such activity.

Finally, section 102(2)(c) of the National Environmental Policy Act of 1969 (42 U.S.C. "4321, 1976 & Supp. V 1981) requires that Environmental Impact Statements be prepared for all major Federal actions that may significantly affect environmental quality. The status and location of national natural landmarks that may be affected are noted in adequately prepared Environmental Impact Statements.

Those four statutes provide the only legislative authority relating to protection of national natural landmarks. All other authority is administratively derived, as per the Historic Sites, Buildings and Antiquities Act of 1935 (16 U.S.C. "461, Supp. 1982), which authorized the Secretary of the Interior to designate and protect "objects of national significance."

51b. Question: Can you provide us with some examples of what you have done to protect natural landmarks?

Answer: Three activities provide the principal means for protecting natural landmarks: securing the voluntary cooperation of landmark owners; reporting on the status and condition of landmarks, as per the reporting requirements cited; and ensuring that information on potential and designated landmarks is available for land use planning decisions, such as through the National Environmental Policy Act.

Although the designation of national natural landmarks is not contingent upon the approval of property owners or land managers, their understanding and cooperation obviously is essential to the preservation of designated sites, and so is sought actively by the National Park Service. As a result, owners of 65 percent of all designated sites have entered into voluntary, nonbinding agreements with the Service to protect the features for which their properties have been recognized. Of those without owner agreements, both the greatest number (14.2 percent of all sites) and the largest area (21.9 percent of the total area) are in multiple ownership because the agreements are not considered effective unless all parties sign.

In compliance with section 8 reporting requirements, the National Park Service was able to report on the condition and integrity of 63 percent of the 561 designated national natural landmarks in fiscal year 1985.

The National Natural Landmarks Program maintains memoranda of agreement with other Federal agencies to ensure that the existence and location of national natural landmarks are considered appropriately in agency land use planning. Many of the memoranda are no longer current, however, and need to be renewed, particularly those with the Bureau of Land Management and with the Forest Service. In addition, many important land use planning decisions are made at the State level, and for that reason, the program is now attempting to forge a closer and more formal relationship with the network of State natural areas programs maintaining natural areas data bases for public consultation.

Construction

52a. Question: Last year's testimony indicated that an annual construction program of $180,000,000 is needed to keep up with Park needs. This includes $100,000,000 for roads and $80,000,000 for line item construction projects. The request for FY 1987 falls far short. Road construction is deficient by $25,000,000 and line item construction is deficient by at least $50,000,000. In addition, the Park Service has also proposed a rescission of FY 1986 funds. Since last year's hearing have you done a resurvey of your annual park needs which leads to a reduction construction needs in the Park Service?

Answer: No, the Servicewide construction priority listing has not been reduced since last year.

52b. Question: Could you please provide the Committee with a priority listing of construction projects?

Answer: Yes, a listing is available and follows the questions and answers submitted for the record.

53a. Question: The request for unscheduled and emergency projects is $2,000,000, a reduction of $981,000 from the 1986 base. What has your experience been in recent years with unscheduled and emergency projects? Provide for the record the amount spent on these projects on an annual basis for the past five years.

Answer: The Regional requests for emergency and unscheduled projects normally exceeded the previous $3 million annual funding level by $2-$3 million. However, even at a $2 million reduced funding level, the Service believes that the most urgent projects can be funded. The 5-year average for obligations has been $2,709,000. The breakdown by fiscal year is as follows:

Fiscal Year	Amount
1985	$2,604,118
1984	3,596,313
1983	2,707,959
1982	2,535,830
1981	2,101,407

You will note that several of the yearly totals are well under the normally requested $3 million annual appropriation and that fiscal 1984 is well over $3 million. The reason for this is the fact that much of the emergency and unscheduled projects program is accomplished by day-labor forces and the obligations accrue slowly over 2 or possibly even 3 fiscal years.

53b. Question: What source of funds would you use if the need exceeds the $2,000,000 budgeted?

Answer: If such a situation developed, the Service would probably drop less critically needed projects or prepare a reprogramming request to move funds from other sources to the Emergency and Unscheduled Projects Program.

54a. Question: The request for advance planning and project planning is $7,796,000, a reduction of $7,889,000 from the 1986 base. (The budget justification (NPS-213) indicates this amount is "the Service's latest estimates for accomplishing the planning and design necessary to support the reduced funding level of this and future fiscal years construction request.") What level of future construction requests would the amount requested for advance planning and project planning permit?

Answer: Inasmuch as some prior year planning funds will carry over to fiscal year 1987, approximately $50 million could be obligated in fiscal year 1987. However, several more years of this reduced funding level would lower the Service's ability for annual construction obligations to about $22 to $30 million a year depending on the project mix.

54b. Question: Does the reduced level for advanced planning and project planning affect your ability to meet the needs of road construction also?

Answer: Not directly. The Federal Lands Highways Program provides separate planning funds for road construction. However, since the FLHP is being proposed for reauthorization at a reduced funding level, there will be a corresponding reduction in FLHP planning.

Yosemite Employee Housing

55a. Question: Included in the request is $3,610,000 for Yosemite employee housing at El Portal, the new area outside the Park which is designed to relieve some of the overcrowding in Yosemite Valley. The plan calls for 34 units: 17 efficiencies, 12 one-bedroom apartments, and 5 two-bedroom apartments. Who will be eligible to use these new units? Will concession employees be eligible?

Answer: The new housing units at El Portal are being built to replace the employee quarters destroyed in Camp 6, during the violent storms of January 1984. This storm destroyed 51 housing units which had accommodated 90 employees. Park employees will be housed in this new housing. Concession employees will not be housed in these new units.

Very recent archeological investigation of the proposed site and revised management requirements have resulted in some recent project adjustments:

1. The six buildings have been reduced to 3 larger strutures in order to avoid prehistoric Native-American artifacts.

2. The efficiency units have been eliminated in favor of more one and two bedroom units. This will result in more flexibility in making maximum use of available housing, since the park needs the flexibility to put unrelated people or a family in the same unit. The revised proposal will result in 12 one-bedroom and 12 two-bedroom units, providing 36 bedrooms compared to 35 bedrooms in the original proposal. The total square footage and estimated cost remain the same.

55b. Question: Will existing facilities in Yosemite Valley be removed as these facilities become available?

Answer: The "existing" facilities were destroyed by the storm of January 1984. The destroyed facilites were removed by the Park staff, after the storm.

55c. Question: How much has already been spent on planning these housing units?

Answer: To date, $83,600 has been spent on planning.

Cumberland Gap Tunnel

56a. Question: After several years of agony, last year a commitment was made to construct the Cumberland Gap Tunnel. No funds are included in the 1987 request for further work on the tunnel. Is the Department still committed to the Cumberland Gap Tunnel?

Answer: Yes, inasmuch as the States of Kentucky and Tennessee have signed an agreement to maintain and operate the tunnel, the Department is not opposed to continued construction. However, the source of funding for future year tunnel construction is of concern to the Department. We would not be in favor of utilizing the National Park Service's Federal Lands

Highways Program as the source of tunnel construction funding. While the Federal Lands Highways Program has been proposed for reauthorization at an annual funding level of $75 million, there remains an estimated backlog of existing National Park Service roads and bridges in poor condition that totals in excess of $1 billion.

56b. Question: Are existing funds adequate to carry the project through FY 1987?

Answer: According to the Federal Highway Administration, existing funds are adequate to carry the project through fiscal 1987.

56c. Question: Provide for the record the construction schedule that accommodates completion of the tunnel.

Answer: A construction schedule provided by the Federal Highway Administration is as follows:

Schedule and Estimates for Cumberland Gap Tunnel Completion
(Dollars in Thousands)

Fiscal Year	Project	Location	Type of Work	Mileage	FHWA Planning and Project-Engineering Cost	Construction Contract Cost	Construction Supervision Cost	Retained By NPS	FHWA Admin. & Misc. Cost	Total Program Cost
1986	25E1D	Kentucky	Kentucky Portal Cut	0.3	100	8,000	1,200	200	357	9,857*
1987	No Requirement									
1988	25E4	Kentucky/ Tennessee	Main Tunnel Bore	0.8	300	40,000	6,000	400	2,300	49,000
1989	25E13	Kentucky	Skyland Road Bridges	0.1	200	2,000	300	300	200	3,000
	25E14	Kentucky	Landscaping, Partial	0.9		500	100			600
			Subtotal, FY 1989							3,600
1990	25E16	Kentucky/ Tennessee	Portals, Electrical and Ventilation		100	24,000	3,600	200	1,100	29,000
1991	25E17	Tennessee	Road Ties, Tiprall Road and Final Paving	0.2	200	6,000	900	300	400	7,800
			Utilities						2,000	2,000
			Subtotal, FY 1991							9,800
1992	25E19	Kentucky	Road Ties and Final Paving	1.2		2,000	300	200	400	2,900
	25E15	Tennessee/ Virginia	Landscaping, Parking Area and Obliteration	0.9		2,300	300			2,600
	25E20	Kentucky	Landscaping, Route 988, Parking Area and Obliteration	1.2		3,000	400			3,400
			Subtotal, FY 1992							8,900
			Total Cost		900	87,800	13,100	1,600	6,757	110,157

*$10,300,000 authorized, but reduced to $9,857,000 by Gramm-Rudman-Hollings.

56d. Question: Under the agreement with Kentucky and Tennessee, what responsibilities will the Park Service have for the tunnel once construction is complete?

Answer: We anticipate some law enforcement and general overview responsibilities once tunnel construction is complete.

Land Acquisition/Land Exchange

57. Question: Other than the desire to reduce Federal spending, is there any other policy reason to have such a minimal request for land acquisition in fiscal 1987?

Answer: The minimal request for land acquisition funds reflects no antipathy toward the concept of Federal land ownership nor antipathy toward expansion of the National Park System. Funding for land acquisition simply is not as high in priority as funding for operations and we could not fit it into our limited budget.

58a. Question: Land exchanges are promoted as an attractive alternative to new appropriations for land acquisition. How much staff time is involved in land exchanges as compared to fee acquisition?

Answer: It is difficult to say since no two cases are the same, but in general it takes substantially more staff time to accomplish an exchange than a direct purchase. The amount of work involved is dependent on the number of parties, the conditions of title, and the expectations of the landowner. Incidentally, exchanges are a method of acquiring either fee or less-than-fee interests in land; therefore, exchanges are not an alternative to fee acquisition.

58b. Question: With 10 less FTE's and 12 percent fewer dollars for acquisition management, will you be able to handle the additional workload required to negotiate land exchanges?

Answer: Yes, we will be able to handle the additional workload required to negotite land exchanges, due to the fact that we are requesting less funding for purchases.

To give a general idea of what is involved, a brief explanation follows:

> When the Federal land to be exchanged is public domain land under the jurisdiction of the Bureau of Land Management, there are additional costs not associated with direct purchases. They include an appraisal of the Federal land as well as the private land, an environmental assessment, and archeological survey, revision of BLM's land use plan, publication of a "Notice of Realty Action" in the Federal Register and issuance of a patent, possibly requiring a land survey.
>
> When the Federal land to be exchanged is excess to the needs of a Federal agency or is surplus to the needs of the Federal Government and under the custody of the General

Services Administration, there are likewise additional costs to be borne by the acquiring agency. In addition, the General Services Administration policy requires that the acquiring Federal agency reimburse the Treasury for the fair market value of the land. This reimbursement can be waived on a case-by-case basis for public benefit purposes.

58c. Question: What is your goal for land exchanges in fiscal 1987?

Answer: One of our goals for land exchanges in fiscal 1987 is to complete the pending JY Ranch exchange at Grand Teton National Park and the Santa Fe Railroad exchange at Chaco Culture National Historical Park. Another is to streamline processing in the Department when the Federal land to be exchanged is under the jurisdiction of the Bureau of Land Management. And, yet another is the processing of other exchanges as the opportunities arise.

58d. Question: What are your priorities for land exchanges?

Answer: Our top priorities are the Grand Teton National Park and Chaco Culture National Historical Park exchanges. Otherwise the priorities for land acquisition established in the Land Protection Plans will be followed to the extent possible, regardless of the method of acquisition used, i.e., purchase, exchange, donation, or otherwise.

59. Question: One land exchange that is being considered would allow for the Everglades eastern border to be expanded by 12,000 acres in order to remove some land from agriculture production. Because the area is in agricultural production, the water level is lowered each autumn when planting begins. It is suggested that this harms the whole Region's ecology. Are the owners of this land willing to exchange their Florida land? Are you actively pursuing an exchange which would permit the Everglades to get this land? Where does this fall in your priorities?

Answer: Yes, the owners are interested in exchanging a portion of their land for Public Lands currently administered by the Bureau of Land Management. Before the exchange can be completed, however, legislation must be enacted authorizing an interstate exchange in this instance. This exchange is of high priority since it will allow the protection of significant acreage adjacent to Everglades National Park without the expenditure of large amounts of Federal funds.

Historic Preservation Fund

60a. Question: No funds are requested for the Historic Preservation Fund and $18,523,000 is proposed for rescission in FY 1986. Other than the desire to reduce the deficit, are there policy reasons for not continuing the Historic Preservation Fund?

Answer: Over the past 18 years, the Federal Government has committed $434 million in grants and an additional several million dollars in technical support to help establish a network of State preservation programs which now function effectively and should be able to continue to do so with other than Federal assistance. The Administration believes it is the proper responsibility of individual States and Federal agencies to define their program interests and responsibilities, to identify their resource needs and to carry out their programs. The variety of State grant-assisted activities--survey and evaluation of resources, nomination of properties to the National Register, technical assistance and advice to Federal and State agencies and local governments, education programs, and establishing local preservation programs--clearly have a purpose and value beyond fulfillment of Federally mandated responsibilities. These are ongoing State operational responsibilities spelled out in the National Historic Preservation Act that are of key importance and benefit to the State in the overall Federal-State partnership. It is reasonable to expect that the cost of these State program responsibilities should be borne by the States.

60b. Question: Are there other programs in the government where the law asks States to do certain things but does not provide any support?

Answer: The Service has not undertaken a review of Federal programs involving laws that establish Federal and State responsibilities for cooperative programs of a national and local interest, but several do come to mind. The Wild and Scenic Rivers Act institutes a national wild and scenic rivers system comprised of rivers authorized by an Act of Congress, or rivers that are designated pursuant to an act of a State legislature. The law provides that State designated rivers are to be administered by the State or political subdivision without expense to the United States. Similarly, the National Trail System Act establishes opportunities for State and local components of a national trail system to be administered at no expense to the United States. There are certainly other national programs established by Federal laws where State and Federal roles and responsibilities are spelled out in support of national and local interests, but without a continuing Federal financial presence.

60c. Question: What notice were the States given on the proposed rescission?

Answer: The Secretary's letter of February 14, 1986, notified the Governor of each State of the apportionment of $5.2 million and also of the proposed rescission of the $18.5 million balance appropriated under Public Law 99-190. A copy of this transmittal was provided to every State Historic Preservation Officer.

60d. Question: Have you noticed any impact from the rescission on the state's performance? What reaction have you had from the states as to how they will manage given the cutoff of their funds?

Answer: The Service has received letters from the Governor of Virginia and from the Executive Director of the Texas State Historical Commission, as well as several telephone calls from other States, communicating their concern and the probability of staff reductions and layoffs, which will adversely effect State performance. The General Accounting Office also published a Fact Sheet for the Chairman, Subcommittee on Public Lands, Committee on Interior and Insular Affairs, House of Representatives, entitled: "Result of Questionaire on State Historic Preservation Activities." (GAO/RCED-86-45FS, published December 1985). Thirty-two

States responded to this questionaire. These States identified a range of activities which would be reduced or eliminated: section 106 reviews (17 States); surveys (14 States); certifications of local government programs (13 States); Federal tax incentive project assistance to developers (13 States); nominations to the National Register (11 States); comprehensive historic preservation planning (8 States); and technical assistance and information to the general public (5 States).

Administrative Provisions

61. Question: According to the justification (NPS-303), you wish to purchase new 20 buses. Where will these buses be used? How much will these buses cost? Where is the money included in the budget for these buses?

Answer: The language on NPS page 303 would authorize the purchase of up to 20 buses to replace units currently in service which have exceeded age and mileage standards. Known requirements exist for the following areas:

Park	Number of Buses
Yellowstone National Park	1
Colonial National Historical Park	3
Everglades National Park	2
Lyndon B. Johnson National Historical Park	5
Grand Canyon National Park	7
Total	18

An additional two buses were included in the estimate to cover potential, unforeseen requirements not identified by site. The money to purchase the buses is budgeted under the Regionwide Equipment Replacement Program.

Allocations From Other Agencies

62. Question: On page NPS-308, there is a listing of allocations received from other accounts. For the record, please provide a description of what you do with these allocations from other agencies.

Answer: The National Park Service performs various tasks, each in accordance with specific agreements or laws apical to each transfer account as follows:

A. Department of Agriculture, Forest Service:
"Forest Protection and Utilization"

These funds are used to control/suppress forest insects and diseases, such as, Gypsy Moth, Southern Pine Beetle, Dwarf Mistletoe, Dutch Elm Disease and Balsam Wooly Aphids within the park areas.

B. Department of Commerce:
"Regional Development Program"
"Regional Action Planning Commission"

Remainder of funds received from Commerce used for supplemental recreation grants-in-aid programs.

C. Department of Transportation:
"Federal-Aid Highways"
"Trust Fund"

Two programs are funded with transfers from the Department of Transportation:

Federal Lands Highways Program, Federal Highway Administration

Authorized by the Surface Transportation Assistance Act of 1982, this program represents funding requirements of the National Park Service for road and bridge repair, rehabilitation, reconstruction, and new construction.

Emergency Relief, Federal Highway Administration

The Secretary of Transportation is authorized to expend monies from an emergency fund for the repair or reconstruction of parkways and park roads and trails damaged as the result of a natural disaster over a wide area or catastrophic failure from any cause.

D. Department of Navy:
"Military Construction"

Remainder of funds received from Naval Facilities Engineering Command for community assistance grants related to the Trident submarine project in Bangor, Washington. Funds expired for obligation September 30, 1985.

E. Appalachia Regional Commission:
"Appalachia Regional Development Program"

Community development grant funds used for recreational facilities.

F. Bureau of Reclamation:
"Construction and Rehabilitation"

Remainder of funds advanced for archeological work on the Missouri River Basin.

G. Department of Army:
"Construction, General, Corps of Engineers, Civil"

Funds have been used for land acquisition at Delaware Water Gap National Recreation Area, Pennsylvania and New Jersey.

H. Department of State:
"Salaries and Expenses, Special Foreign Currency Program"

Funds transferred from the Secretary of the Interior for use of excess foreign currencies for leadership and support of foreign national parks.

Delaware Water Gap National Recreation Area

63. Question: Is the $681,000 permanent appropriation for operating expenses for Route 209 in the Delaware Water Gap National Recreation Area sufficient to meet the expenses there?

Answer: The total cost of operation and maintenance of U.S. Route 209 is $2,053,000. Of this total $1,371,000 are appropriated funds (including the recently added $290,000 in fiscal year 1986) and an estimated $681,000 in collected fees. The increase in estimated fees was based on an increase in the maximum fee from $5 per trip to $7 per trip. The expected revenues have not materialized (fees are being collected at about the same rate as in previous fiscal years at the lower per trip rate). Average daily use has dropped from 460 vehicles per day in 1984 to 410 per day in fiscal 1985, a difference of 50 vehicles per day or 17,900 per year. If this trend continues, we would need an additional $232,000 annually to offset uncollected fees. If the full $681,000 in fees is realized, then no additional operating needs would be required.

Voyageurs National Park

64. Question: Minnesota has offered some state land for gold and other mineral exploration just outside the border of Voyageurs National Park. According to a Minneapolis Star and Tribune article, this was despite concerns raised by National Park officials. How successful was the Park Service in having its concerns addressed? Has this situation become a problem for the Park?

Answer: The State of Minnesota offered State land for lease sale for exploration of copper, nickel, and associated minerals on tracts adjacent to Voyageurs. The lease of the lands directly adjacent to the park or upstream watersheds could pose serious threats to park natural resources. Upon written request of the Superintendent on July 18, 1985, the State of Minnesota withdrew certain tracts from the lease sale. The State also invited the National Park Service "to participate in developing guidelines for exploration" of other tracts. The lease sale was held December 1985, with the closest awarded tract to the park being some 1/2 miles distant from the park boundary. The State did not take steps to protect sensitive resources in the vicinity of the park. The remaining concern is potential degradation of the park's air quality. The potential for adverse impact is low. The National Park Service will participate in the environmental review process required to be conducted by the State prior to a permit for mining development.

Wolf Trap Farm Park

65a. Question: What is the status of structural repairs to the Filene Center at Wolf Trap?

Answer: On January 24, 1985, a crack was discovered in the lower flange and sidewalls of one of the two 138-foot long box beams in the new Filene Center. The Wolf Trap Foundation immediately took steps to implement interim corrective action until permanent repairs could be accomplished. The Wolf Trap Foundation contracted with the firm of Raths, Raths and Johnson to identify causes for the failure and a permanent solution. The contractor has developed and is currently implementing the following structural repairs to act as long-term solutions.

1. Girder Post-Tensioning: A set of three to six high-strength rods will be installed at the bottom of the four main girders of the theatre in order to reduce the loads on the girder bottom flange corner welds. This may also require the detachment and reattachment of the fins where they attach to the outer girders so that they can be upward cambered during post tensioning.
2. Hanger Repairs: This work is to resupport the secondary box girder connectings where they attach at the G-1 Girder, G-3 Girder, and G-4 Girders.
3. Proscenium Wall Modifications: This work is to strengthen the existing crossing bracing below the plate girder so that the entire wall structure will act as a truss. It has been scheduled to be completed first, in order to repair the stagehouse as soon as possible for the 1986 season.

65b. Question: When would you expect the Park Service to take title to the Filene Center? What conditions must be met in order for you to take title?

Answer: The Wolf Trap Foundation's design consultant is responsible for providing certification of the Filene Center. The certification will be reviewed by the National Park Service, Denver Service Center, and recommendations will be made to the Secretary regarding acceptance of the structure. We anticipate receiving the certification report from the Foundation's design consultant this summer.

65c. Question: Is there any problem with going ahead with this summer's season?

Answer: The 1986 season is scheduled to open on May 28. The Wolf Trap Foundation does not foresee any difficulties with the structure.

Parking on the Ellipse

66a. Question: Part of the Ellipse is now being used as a parking lot. When was the parking lot placed on the Ellipse?

Answer: A temporary crushed stone parking lot has been installed in the southeast quadrant of the Ellipse as a direct result of the construction project occurring on East Executive Avenue. The parking lot was placed there as a result of the interruptions of parking facilities available to the White House and Treasury Department. The parking lot was placed on the Ellipse on or about January 15.

66b. Question: How long will it be there?

Answer: It was projected that the parking lot will be removed once the construction between Alexander Hamilton Place and E Street is complete. The current schedule calls for this work to be finished by the end of April. We would anticipate the parking lot to be removed sometime in early May.

66c. Question: What did it cost to put in the parking lot?

Answer: Approximately $23,000

66d. Question: What will it cost to remove it and restore the area?

Answer: Estimate for removal and restoration is approximately $15,000.

66e. Question: Were there no commercial parking opportunities available?

Answer: Commercial parking opportunities were considered, but since the parking area was to be temporary in nature, it was not pursued.

66f. Question: Why was the Commission of Fine Arts not consulted?

Answer: The Commission of Fine Arts as well as the National Capital Planning Commission were both consulted on the overall plans of the East Executive Avenue Redevelopment Project and approvals of the plan were given. Since the temporary parking was a result of this major action and temporary in nature, it was not considered necessary to consult with the Fine Arts Commission.

Savage-Fogarty/RF&P Railroad Companies Development

67a. Question: What is the status of a development to be built adjacent to the George Washington Memorial Parkway just south of National Airport?

Answer: It is our understanding that the RF&P Railroad, as successors to the Charles Fairchild Company, is now proceeding to develop a 37-acre tract which has legal access to the George Washington Memorial Parkway by reason of an exchange agreement signed in 1970 with the National Park Service. The railroad is proceeding jointly with Savage-Fogarty Companies, Incorporated, to develop a mixed use complex of offices, residential and retail extending up to 4.4 million square feet with parking for 7,000 cars. The National Park Service explored an option of acquiring the access rights to the parkway, but the projected cost has precluded this. The National Park Service remains concerned with the potential for traffic congestion on the parkway resulting from the proposed access.

No plans have yet been approved by the city of Alexandria. The National Park Service is coordinating with the developer and the city with the object of ameliorating the worst effects of the interchange and the visual impact of the development.

67b. Question: Does the development involve a new access point to the parkway?

Answer: Plans for a new interchange have been approved by the National Capital Planning Commission and the Commission of Fine Arts. Schematic designs for a new interchange and bridge were approved by the National Park Service in April 1981. The configuration of the access will be that of a conventional diamond interchange.

67c. Question: Will there by any costs to the National Park Service resulting from this development?

Answer: Yes, approximately $300,000 will be required in order for the National Park Service to construct the portion of the interchange which is on Park Service property and which will provide access to Daingerfield Island from the parkway. Funds have not yet been programmed for this phase of the project.

67d. Question: Will the development be visible from the parkway [illegible] will you try to shield the development?

Answer: We will attempt to work with the developer in order to at least partially screen the development from the parkway, perhaps by means of berms and landscaping. It may also be possible, through negotiations with the developer, to set back some buildings so as to lessen their visual impact from the parkway. The city of Alexandria has designated the eastern half of the development site as an Old Historic District extending for a distance of 500 feet from the center line of the parkway. No buildings can be erected within this district without approval of an architectural review board or by the City Council on appeal. The maximum height of buildings within the historic district would be 77 feet.

Yellowstone National Park

68a. Question: Are there any funds in this request to replace Fishing Bridge facilities at Yellowstone?

Answer: The fiscal 1987 budget justifications does not contain a request to replace Fishing Bridge facilities.

68b. Question: When do you anticipate being able to accomodate the General Management Plan which calls for the relocation of Fishing Bridge facilities?

Answer: The National Park Service is presently preparing an Environmental Impact Statement which will address several alternative strategies for implementing the Fishing Bridge portion of the 1974 Master Plan. The Environmental Impact Statement and accompanying Development Concept Plan will reconsider the Master Plan proposal. Decisions regarding relocation of the Fishing Bridge facilities will be partially based on the Environmental Impact Statement. Current schedule for the Environmental Impact Statement completion and decisions regarding Fishing Bridge is as follows:

Prepare and distribute draft Environmental Impact Statement to public	October 986
Prepare and distribute final Environmental Impact Statement to public	May 1987
Public review and preparation of the Record of Decision	June 1987

68c. Question: What impact will the Ski Yellowstone resort have on park resources? Was the park in a position to have any role in approving plans for the project?

Answer: The impact Ski Yellowstone will have on park resources is currently unknown. An Environmental Impact Statement was approved and planning permit issued by the Forest Service in 1977. In 1982, the Forest Service issued a special use permit for development; however, physical development was precluded until a Master Plan, construction plans, and financial capability were accepted by the Forest Service. It is our understanding Forest Service authorization to proceed with construction will not be granted until the Master Plan is approved, which is pending completion of the Grizzly Bear Cumulative Effects Analysis. The National Park Service had no role in approving plans for the project thus far. Future roles of the National Park Service in accepting master and construction plans is unknown.

68d. Question: What is the status of the proposal to restore wolves to Yellowstone?

Answer: The Fish and Wildlife Service has recently completed public review of the Rocky Mountain Wolf Recovery Plan. The Park Service supported the proposals to reestablish viable wolf populations at Glacier National Park by natural immigration and at Yellowstone National Park through reintroductions with minor reservations related to the political acceptability of such a program and the potential for impacts on the threatened grizzly bear (i.e., competition for carcasses of winterkilled wildlife).

68e. Question: What would be involved in returning the wolves? Where would the wolves come from?

Answer: An Environmental Impact Statement would probably be required in order to completely analyze the potential for impacts to existing wildlife species (e.g., prey and competing predators). A source would have to be located. Funds for transplanting and monitoring the transplants over several years would have to be allocated. Cooperative agreements with all states involved would be necessary to insure success (i.e., compatible management of the species outside national park boundaries). Wolves would probably have to be obtained from Canada in order to most closely duplicate the genotype of the Rocky Mountain subspecies.

68f. Question: Is it true there is evidence that a wolf has been in the park recently?

Answer: Wolf tracks are infrequently identified in Yellowstone National Park resulting from the natural dispersion movements of members of remnant populations along the United States/Canadian border and in western Montana.

69. Question: Have the eastern brook trout been successfully removed from a stream near Yellowstone Lake? (A poison was introduced into the stream in an attempt to eradicate the fish since their presence threatened to kill off the rarer Yellowstone cutthroat trout and disrupt the food chain in the park.)

Answer: Eastern brook trout have been present in Yellowstone since 1889, when they were the first non-native fish introduced into the park. Stocking took place in the Firehole River drainage; however, the Yellowstone Lake and River drainage have been free of brookies. In May 1985, biologists discovered brook trout of several age classes in Arnica Creek and built a sandbag barrier across the lagoon where the creek enters Yellowstone Lake.

The park prepared an Environmental Assessment to use Fintrol, a chemical fish toxicant. The chosen course was to eliminate all fish in Arnica Creek on August 27. The process will be repeated in 1986 and close monitoring will continue in Arnica and other streams flowing into Yellowstone Lake, to protect the major stronghold of the native cutthroat trout.

Hovenweep National Monument

70a. Question: An oil well was drilled within 580 feet of the Hovenweep National Monument on its Utah Border. How effective was the National Park Service in trying to mitigate the impacts of the drilling?

Answer: Although location of the drill site was pre-determined, other aspects of the operation incorporated mitigation measures to address National Park Service concerns. These included relocation of the drill site access road, use of monitoring equipment for hydrogen sulfide gas, restoration of the site with native species of vegetation, lining and diking of the pit to prevent spill or flow of waste into drainages, use of blowout prevention contingencies, use of gas in operations rather than gas flaring, well casing to protect the National Park Service water supply well, site visits by the Hovenweep Unit Manager with the State well inspectors, and color of production facilities to reduce visual impacts if the well proved to be productive. Through the cooperative efforts of the National Park Service, State of Utah, and Transco Exploration Company, the National Park Service was effective in mitigating many impacts of the drilling, except the drill sites close proximity to Hovenweep National Monument.

70b. Question: How did the Park Service find out about the proposed drilling?

Answer: By accident. A seismic survey line inadvertently crossed monument lands. When being investigated by the Hovenweep Unit Manager, the drill site's location flagging was discovered. Upon further investigation, it was discovered this was the location of the proposed drill site.

70c. Question: Whose responsibility is it to inform the Park Service when there are activities which might impact on its operations.

Answer: This oil well was drilled on State of Utah land. A Cooperative Agreement between the Governor of Utah and Regional Director, Rocky Mountain Region was established in 1980. This agreement provides for mutual responsibilities where early warning notices would be provided for activities that may affect State or National Park Service operations.

Cape Hatteras National Seashore

71. Question: Has there been any change in the Department's resolve to resist having its lands used for construction of the Oregon Inlet jetties?

Answer: No. However, pursuant to a bipartisan congressional request, the Secretary is reviewing the issues involved.

DEPARTMENT OF THE INTERIOR
NATIONAL PARK SERVICE

April 7, 1986
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CURRENT SERVICEWIDE CONSTRUCTION PRIORITY LIST

As has always been the case, the estimated cost that appear on the list should only be considered preliminary estimates that are subject to change.

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CONSTRUCTION PRIORITIES LIST
(BY SERVICEWIDE PRIORITY)

SERVICEWIDE PRIORITY	NAME OF PARK	DEVELOPED AREA	CONSTRUCTION PACKAGE TITLE	ESTIMATED COST
001.0	YELLOWSTONE NATIONAL PARK	PARK GENERAL	REHABILITATE PURCHASED CONCESSIONED FACILITIES	10000
009.0	SHENANDOAH NATIONAL PARK	SOUTH DISTRICT	RECONSTRUCT SKYLINE DRIVE	22000
041.0	CATOCTIN MOUNTAIN PARK		CORRECT SEWAGE DEFICIENCIES, WEST SIDE	3500
043.0	YOSEMITE NATIONAL PARK	PARK GENERAL	RECONSTRUCT FAILING ELECTRICAL SYSTEM	10000
044.4	GATES OF THE ARCTIC NP & PRES.	COLDFOOT	EMPLOYEE HOUSING, COLDFOOT, ALASKA	950
044.5	GATES OF THE ARCTIC NP & PRES.	ANAKTUVUK PASS	EMPLOYEE HOUSING, ANAKTUVUK	970
048.0	CAPE HATTERAS NS	PARK GENERAL	CAPE HATTERAS LIGHTHOUSES STABILIZATION	3750
049.5	HAMPTON NATIONAL HISTORICAL SITE	PARK GENERAL	REHAB EXTERIOR & DRAINAGE,HAMPTON MANSION	505
070.5	SEQUOIA NATIONAL PARK	CLOVER CREEK	REPLACE GIANT FOREST VISITOR FACILITIES	7500
070.6	SEQUOIA NATIONAL PARK	GRANT GROVE	MOVE NPS FACILITIES FOR CONCESSIONS DEVELOPMENT	710
080.5	BRYCE CANYON NP	HEADQUARTERS	EXTEND UTILITIES FOR 72 NEW LODGING UNITS	270
085.0	KLONDIKE GOLDRUSH NHP	SKAGWAY	STABILIZE RESTORE DEPOT HISTORIC BLDG.	1000
089.0	WUPATKI AND SUNSET CRATER	PARK GENERAL	RECONSTRUCT PORTIONS OF LOOP ROAD - RTE. 545	8000
090.0	MESA VERDE NATIONAL PARK	PARK GENERAL	CONSTRUCT WATER TREATMENT PLANT	6000
105.0	SLEEPING BEAR DUNES NL	PLATTE RIVER	REHABILITATE UTILITIES AND CAMPSITES-PLATTTE RIV	7500
107.1	FORT SMITH NHS	PARK GENERAL	PROVIDE SAFE PEDESTRIAN RAILROAD CROSSING	19
108.5	GEORGE WASHINGTON MEMORIAL PKWY	DAINGERFIELD IS	REHABILITATE FACILITIES CONCESSIONS SUPPORT.	1500
112.0	NATIONAL CAPITAL PARKS-EAST	FT. MCNAIR	REHAB FT. MCNAIR AND BUZZARD POINT MARINAS	5100
115.0	OZARKS NAT SCENIC RIVER	AKER'S FERRY	CONST UTILITIES & SEWAGE TREATMENT PLANT	3000
116.0	DELAWARE WATER GAP	PARK GENERAL	CONSTRUCT VISITOR USE FAC. RDS. TRAILS, PKING.	1800
117.0	EUGENE O'NEILL NHS	PARK GENERAL	CONNECT WATER & SEWER W/PUBLIC UTILITY DISTRICT	400
118.0	WOLF TRAP FARM PARK	PARK GENERAL	PROVIDE SANITARY FACILITY FOR VISITOR HEALTH	900
119.0	NORTH CASCADES NATIONAL PARK	FIELD POINT	CONSTRUCT PARKING AND INFORMATION SERVICES	50
120.0	BANDELIER NATIONAL MONUMENT	FRIJOLES CANYON	REHABILITATE STABLES COMPLEX	2600
121.0	PETRIFIED FOREST NP	PARK GENERAL	CONSTRUCT WATER TREATMENT FAC. & MAIN WATER LINE	8000
121.5	REDWOOD NP	DEL NORTE	CORRECT UNSAFE COMPANY, FRESH WATER LAGOON	2000
121.5	REDWOOD NATIONAL PARK	DEL NORTE	CORRECT UNSAFE CAMPING, FRESH WATER LAGOON	2000
124.0	MOUNT RAINIER NATIONAL PARK	SUNRISE	REHABILITATE SUNRISE LODGE TO MEET PRESENT CODES	2700
131.0	CRATER LAKE NATIONAL PARK	PARK GENERAL	REPAIR & CONST REPLACEMENT FOR CRATER LAKE LODGE	8000
133.0	NATIONAL CAPITAL PARKS-CENTRAL	PARK GENERAL	CORRECT DEFECTS, LINCOLN CIRCLE APPROACH BRIDGE	4460
134.0	SPRINGFIELD ARMORY NHS	PARK GENERAL	REHABILITATE HISTORIC STRUCTURE	6500
136.0	GEORGE WASHINGTON MEMORIAL PKWY	PARK GENERAL	REHAB. UNSAFE BUILDINGS, GLEN ECHO PARK	3425
136.5	NATIONAL CAPITAL PARK - CENTRAL	MALL	FINISH CONSTRUCTING SCULPTURE GARDENS	4000
137.0	DELAWARE WATER GAP NRA	PARK GENERAL	REHAB. 4 BLDG & 1.9 MI TRAIL W/40 CAR PKING AREA	1100
138.0	GATEWAY NRA	JAMAICA BAY UT.	RESOURCE RDS. PKING REHAB. BLDG. & GRDS. PKWIDE	2200
140.5	JOHN D. ROCKEFELLER PARKWAY	PARK GENERAL	EXPAND UTILITIES FOR CONCESSIONS DEVELOPMENT	7000
141.0	BIG BEND NATIONAL PARK	CHISOS BASIN	CONSTRUCT VISITOR CONTACT STATION	850
143.0	GULF ISLANDS NATIONAL SEASHORE	PERDIDO KEY	REPLACE COMFORT STATIONS AND DAY USE FACILITIES	2000
143.5	GLEN CANYON NP	BULLFROG BASIN	CONSTRUCT CONCESSIONS SUPPORT FACILITY	3300
145.5	GLEN CANYON NRA	WAHWEAP	EXPAND MARINE FACILITIES - WAHWEAP	10000
146.0	UPPER DELAWARE SCENIC AND REC.	PARK GENERAL	REHABILITATE ROEBLING BRIDGE	1500
147.0	JOHNSTOWN FLOOD NMP	PARK GENERAL	CONSTRUCT VISITOR FACILITY, UTILITIES, RDS. PKG.	4500
149.0	GATEWAY NRA	GREAT KILLS	REHABILITATE GREAT KILLS SEAWALL AND BATHHOUSE	4000
150.0	FREDERICKSBURG NMP	PARK GENERAL	STABILIZE 7 HISTORIC STRUCTURES	600
151.0	GRAND CANYON NATIONAL PARK	INDIAN GARDENS	TERTIARY SEWAGE TREATMENT AND COLLECTION SYSTEM	2939
152.0	MAMMOTH CAVE NATIONAL PARK	CHAUMONT	CONSTRUCT WASTEWATER TREATMENT FACILITIES	2589
153.0	CANYONLANDS NATIONAL PARK	PARK GENERAL	CONST VISITOR & PARK SUPPORT FACILS-2 DISTRICTS	10486
154.0	WILLIAM HOWARD TAFT NAT HIS SITE	PARK GENERAL	COMPLETE INTERIOR RESTOR., TAFT HOME, WIHO-C1	2107
155.0	DENALI NATIONAL PARK & PRESERVE	PARK GENERAL	REPLACE TOKLAT BRIDGES 1 AND 2	8279

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CONSTRUCTION PRIORITIES LIST
(BY SERVICEWIDE PRIORITY)

SERVICEWIDE PRIORITY	NAME OF PARK	DEVELOPED AREA	CONSTRUCTION PACKAGE TITLE	ESTIMATED COST
156.0	WRANGELL-ST. ELIAS NP & PRESERVE	GLENNALLEN	CONSTRUCT EMPLOYEE HOUSING - PHASE I	657
157.0	GOLDEN GATE NRA	MARIN HEADLANDS	CONSTRUCT NEW SEWAGE SYSTEM	0
157.0	GOLDEN GATE NRA	MARIN HEADLANDS	CONSTRUCT NEW SEWGE SYSTEM-MARINE HEADLANDS	2006
158.0	VOYAGEURS NATIONAL PARK	KETTLE FALLS	REHAB HIST. HOTEL, CONST LODGING AND UTILITIES.	5367
159.0	GATEWAY NAT RECREATION AREA	SANDY HOOK	REHAB SANDY HOOK ROADS	1051
160.0	DENALI NATIONAL PARK	RILEY CREEK	CONSTRUCT VISITOR ACCESS CENTER	3870
161.0	BLUE RIDGE PARKWAY	PARKWAY GENERAL	REHAB DAM REPAIRS, JULIAN PRICE, TROUT, & BASS	3290
162.0	BRYCE CANYON NATIONAL PARK	BRYCE CAN LODGE	REHABILITATE BRYCE CANYON LODGE	1500
164.0	MAR—REGIONWIDE	PARKS GENERAL	REBUILD FLOOD DAMAGED ROADS & CULVERTS (6 PARKS)	3551
165.0	ASSATEAGUE ISLAND NAT SEASHORE	PARK GENERAL	IMPROVE NORTH BEAD DAY USE FAC. & CAMPGROUND	1235
166.0	MOUNT RAINIER NATIONAL PARK	PARK GENERAL	REHAB NISQUALLY ENTRANCE PARDISE ROAD	4411
167.0	GRAND CANYON NATIONAL PARK	PARK GENERAL	RECONST SOUTH ENTRANCE ROAD & ASSOC. CENTER ROAD	489
168.0	DENALI NATIONAL PARK & PRES	PARK GENERAL -	REHAB MILE 0 TO SAVAGE PINE PRIDGE	5059
169.0	OLYMPIC NATIONAL PARK	SOL DUC	RECONSTRUCT SOL DUC VALLEY ROAD	6643
170.0	NATIONAL CAPITOL PARKS—EAST	SUITLAND PKWY	UPGRADE VISUAL QUALITY/SAFETY-SUITLAND PARKWAY	20270
171.0	YOSEMITE NATIONAL PARK	EL PORTAL	IMPLEMENT THE YOSEMITE MASTER PLAN	17252
172.0	MARTIN LUTHER KING, JR., NHS	PARK GENERAL	PROVIDE INITIAL FACILITIES - REHABILITATION	4027
173.0	BOSTON AFRICAN AMERICAN NHP	PARK GENERAL	REHABILITATE MEETING HOUSE	175
174.0	NATIONAL CAPITOL PARKS—CENTRAL	LINC/JEFF MEM	PRESERVE LINCOLN AND JEFFERSON MEMORIALS	393
175.0	FOSSIL BUTTE NATIONAL MONUMENT	HEADQUARTERS	CONSTRUCT PERMANENT VISITOR /HQ FACILITY	5711
176.0	SEQUOIA NATIONAL PARK	PARK GENERAL	REHABILITATE PARK ROADS	10000
178.0	AMISTAD RECREATION AREA	PARK GENERAL	RECONSTRUCT BOAT LAUNCH RAMP	1142
179.0	GRAND CANYON NATIONAL PARK	PARK GENERAL	CONST 60 FAMILY RESIDENCES, CANYON VILLAGE	2539
180.0	FRIENDSHIP HILL NAT HIST SITE	PARK GENERAL	PRESERVE/REHABILITATE GALLATIN HOUSE	3100
181.0	CUYAHOGA VALLEY NAT REC AREA	V. KENDALL UNIT	REHAB DETERIORATING WATER & SEWER SYSTEMS	917
182.0	YELLOWSTONE NATIONAL PARK	PARK GENERAL	REBUILD PORTIONS-THUMB-OLD FAITHFUL ROAD	9713
183.0	ISLE ROYALE NATIONAL PARK	ROCK HARBOR	REPLACE INADEQUATE SEWAGE TREATMENT PLANT	690
184.0	BOSTON NATIONAL HISTORICAL PARK	OLD STATE HOUSE	REHABILITATE OLD STATE HOUSE-PHASE II	2525
185.0	GUADALUPE MOUNTAINS NAT PARK	PINE SPRING	CONSTRUCT HEADQUARTRS & VISITOR SERVICES COMPLEX	3996
186.0	GATEWAY NAT RECREATION AREA	SANDY HOOK	CONSTRUCT BEACH CENTERS, PARKING, UTILITIES	3419
187.0	CAPE LOOKOUT NATIONAL SEASHORE	CORE BANKS	REPLACE DETERIORATED FISH CAMP STRUCTURES	1700
188.0	SHILOH NATIONAL MILITARY PARK	PARK GENERAL	STABILIZE RIVERBANK (TENESSEE RIVER)	3929
189.0	MOUNT RAINIER NATIONAL PARK	PARADISE	REHABILITATE PARADISE INN--WATER AND SEWER	1300
190.0	ROCKY MOUNTAIN NATIONAL PARK	GRAND LAKE	REPLACE TRAILERS WITH 16 APARTMENTS	1443
191.0	VOYAGEURS NATIONAL PARK	BLACK BAY	CONST 2 MILES OF VISITOR CENTER ACCESS ROAD	1235
192.0	HOT SPRINGS NATIONAL PARK	PARK GENERAL	PRESERVE & ADAPT/RESTORE HISTORIC BATHHOUSES	7043
193.0	KENAI FJORDS NATIONAL PARK	PARK GENERAL	CONSTRUCT VISITOR FACILITIES AT EXIT GLACIER	561
194.0	BISCAYNE NATIONAL PARK	CONVOY POINT	REPLACE TEMPORARY AND VISITOR SUPPORT FACILITIES	5558
195.0	GEORGE WASHINGTON MEM PARKWAY	THEO ROOSE ISL	CONSTRUCT CRITICAL LINK IN COMMUTER BIKE TRAIL	1330
196.0	LOWELL NATIONAL HISTORICAL PARK	PARK GENERAL	REHABILITATE BOOTT MILL COMPLEX	5729
197.0	GATEWAY NAT RECREATION AREA	PARK GENERAL	REHABILITATE DETERIORATED UTILITY SYSTEM	3899
198.0	ST. CROIX NATIONAL SCENIC RIVER	PARK GENERAL	REPLACE FIVE UNSAFE WATER SYSTEMS IN PARK	317
199.0	GEORGE WASHINGTON MEM PARKWAY	GREAT FALL PARK	PRESERVE HISTORIC PATOWMACK CANAL	4323
200.0	JOSHUA TREE NATIONAL MONUMENT	PARK GENERAL	RECONSTRUCT UNSAFE/ NARROW PARK ROADS	6071
201.0	OLYMPIC NATIONAL PARK	LAKE CRESCENT	STUDY AND CONSTUCT SEWAGE SYSTEM	790
202.0	EISENHOWER NAT HISTORIC SITE	PARK GENERAL	INSTALL WATER & FIRE SUPPRESSION SYSTEM	369
203.0	GETTYSBURG NAT MILITARY PARK	PARK GENERAL	INSTALL WATER & FIRE PROTECTION	705
204.0	GLACIER NATIONAL PARK	PARK GENERAL	REHAB SPERRY CHALET, LAKE MCDONALD DORMS	1200
205.0	EDISON NATIONAL HISTORIC SITE	PARK GENERAL	REHAB INTERIOR OF EDISON HOME	285
206.0	GATES OF THE ARCTIC NP & PRESERV	PARK GENERAL	CONSTRUCT RADIO SYS. FOR MGMT. & EMER. OPER.	340

CONSTRUCTION PRIORITIES LIST
(BY SERVICEWIDE PRIORITY)

SERVICEWIDE PRIORITY	NAME OF PARK	DEVELOPED AREA	CONSTRUCTION PACKAGE TITLE	ESTIMATED COST
207.0	NORTHWEST ALASKA AREAS	GENERAL	DEVELOPE AREA WIDE RADIO SYSTEM	151
208.0	JOHN DAY FOSSIL BEDS NM	SHEEP ROCK UNIT	CONSTRUCT VISITOR CENTER AND EXHIBITS	1693
209.0	GLACIER NATIONAL PARK	GOING-TO-THE-SU	REBUILD 50-MILE GOING-TO-THE-SUN ROAD	22543
210.0	BOSTON NATIONAL HISTORICAL PARK	PARK GENERAL	REHABILITATE FANEUIL HALL	1520
211.0	LAKE MEAD NAT RECREATION AREA	PARK GENERAL	RELOCATE LAKESHORE ROAD ROUTE 2	3593
212.0	GEORGE WASHINGTON MEMORIAL PKWY	PARK GENERAL	UPGRADE VISUAL QUALITY SAFETY-GWMP	20520
214.0	KALAUPAPA NAT HISTORICAL PARK	PARK GENERAL	RECONSTRUCT WATER SYSTEM, KALAUPAPA-WAIKOA	4320
215.0	COLONIAL NAT HISTORICAL PARK	JAMESTOWN ISLAN	SHORELINE PROT ALONG JAMES RIVER-1,500 LF	642
216.0	BUFFALO NATIONAL RIVER	PARK GENERAL	IMPROVE RIVER CAMPSITES, LAUNCHES AND ROADS	8045
217.0	CUMBERLAND ISLAND NAT SEASHORE	ST MARY'S V FAC	CONSTRUCT VISITOR CENTER COMPLEX AND PARKING	3641
218.0	ANDERSONVILLE NAT HISTORIC SITE	PARK GENERAL	CONST VC, ENTRANCE ROAD & PARKING, & MAINT AREA	5340
219.0	NORTHWEST ALASKA AREAS	KOTZEBUE	DEVELOP COOPERATIVE AIRCRAFT OPERATIONS FAC.	1090
220.0	WAR IN THE PACIFIC NAT HIST PARK	PARK GENERAL	INITIAL DEV. APACA, GAAN POINT, AGAT, ASAN BEACH	1560
221.0	GATEWAY NAT RECREATION AREA	JAMICA BAY	REHAB FLOYD BENNETT FIELD (GATEWAY VILLAGE)	6550
222.0	NATIONAL CAPITOL PARKS—CENTRAL	WASHINGTON MON	REDEVELOP WASHINGTON MONUMENT GROUNDS	4711
223.0	NEZ PERCE NATIONAL HISTORIC PARK	SPALDING	REPLACE LAPWAI CREEK BRIDGE	140
224.0	HAWAII VOLCANOES NATIONAL PARK	KALAPANA	CONST GOAT/PIG FENCE FOR RESOURCE PROTECTION	1900
225.0	WOMEN'S RIGHTS NAT HIST PARK	PARK GENERAL	REHABILITATE WESLEYAN CHAPEL	554
226.0	JEFFERSON NAT EXPAN MEM NHS	PARK GENERAL	INSTALL LIFE SAFETY & HANDICAPPED ACCESS IMP.	525
227.0	HUBBELL TRADING POST NHS	PARK GENERAL	DEVELOP NEW CURATORIAL STORAGE	323
228.0	KATMAI NATIONAL PARK	KING SALMON	PLAN & DEVELOP PERMANENT HEADQUARTERS EXPANSION	4611
229.0	GRAND TETON NATIONAL PARK	MOOSE	REPLACE COLLAPSED ROOF AND REHAB VISITOR CENTER	1024
230.0	CASTILLO DE SAN MARCOS NAT MON	PARK GENERAL	STABILIZE FORT, REPLACE FEE BOOTH	2765
231.0	HAMILTON GRANGE NAT MONUMENT	PARK GENERAL	REHABILITATE HAMILTON GRANGE, PHASE II	925
232.0	ALLEGHENY PORTAGE RAILROAD NHS	PARK GENERAL	STABILIZE 4 HIST BLDGS, 13 HIST STRUCTURES	2921
233.0	COLONIAL NAT HISTORICAL PARK	PARK GENERAL	REHAB 7 BRIDGES, PAVE. REPAIR/REPLACE COLO PKWY	6220
234.0	SLEEPING BEAR DUNES NAT LAKESHORE	N. MANITOU IS	REPL DETERIORATED DOCK TO IMPROVE VISITOR ACCESS	1330
235.0	GRAND CANYON NATIONAL PARK	PARK GENERAL	DEVELOP NORTH RIM TRANSEPT CANYON & BRIGHT ANGEL	2950
236.0	CAPULIN MOUNTAIN NAT MONUMENT	PARK GENERAL	CONST RETAIN WALL/PAVE MTN RD/REHAB ENTRANCE RD	839
237.0	SHENANDOAH NATIONAL PARK	LOFT MOUNTAIN	SUPPL WATER SUPPLY INCL WELL, PUMPS, ACCESS ROAD	219
238.0	CANAVERAL NATIONAL SEASHORE	PLAYALINDA BEAC	CONST. ALTERNATE ACCESS TO PLAYALINDA EXPANDED	5785
239.0	GLACIER BAY NATIONAL PARK & PRES	BARTLETT COVE	DEVELOP BARTLETT COVE	9505
240.0	GRAND CANYON NATIONAL PARK	NORTH RIM	REHABILITATE NR WATER SYSTEM—PHASE 2	3924
241.0	NATIONAL CAPITOL PARKS—EAST	FORT WASHINGTON	PRESERVE HISTORIC FORT WASHINGTON	6000
242.0	DENALI NATIONAL PARK & PRESERVE	PARK GENERAL	SEWER FACILITIES—HEADQUARTERS	454
243.0	BIG BEND NATIONAL PARK	PARK GENERAL	RECONSTRUCT MAJOR PARK ROADS	31403
244.0	GATEWAY NATIONAL RECREATION AREA	BREEZY POINT	STABILIZE JACOB RIIS BATHHOUSE AND PARK	4621
245.0	GLEN CANYON NAT RECREATION AREA	BULLFROG BASIN	FINISH BULLFROG & HALLS ROAD SYSTEMS-20 MILES	5140
246.0	INDEPENDENCE NAT HIST PARK	PARK GENERAL	REPAIR/REPLACE UNSAFE WALLS, WALKS INDE HALL	1400
247.0	GRAND CANYON NATIONAL PARK	SOUTH RIM	MODIFY WASTEWATER TREATMENT PLANT - SOUTH RIM	0
248.0	VIRGIN ISLANDS NATIONAL PARK	CRUZ BAY-ST.JOH	REHABILITATE STRUCTURE FOR VISITOR CENTER	2009
249.0	GEORGE WASHINGTON MEM PARKWAY	ARLINGTON HOUSE	SECURITY & CLIMATE CONTROL--ARHO FURNISHINGS	1904
250.0	BOSTON NATIONAL HISTORICAL PARK	PARK GENERAL	REHAB BLDG 28 AND RELOCATE PRESERVATION LAB	3196
251.0	GOLDEN GATE NRA	MARITIME UNIT	PRESERVE HISTORIC SHIPS-EUREKA AND WAPAMA	0
252.0	HALEAKALA NATIONAL PARK	KIPAHULU	DEVELOP KIPAHULU POTABLE WATER SYSTEM	1372
253.0	LAKE MEREDITH RECREATION AREA	SANFORD-YAKE	CONNECT TO FRITCH CITY WATER SYSTEM	473
254.0	DENALI NATIONAL PARK	SOUTH SIDE	DEVELOP SOUTH SIDE OF DENALI-JOINT WITH STATE	2200
255.0	PICTURED ROCKS NAT LAKESHORE	PARK GENERAL	REHAB/RECONST PARK ROADS TO MAJOR VISITOR FAC.	1138
256.0	NORTH CASCADES NATIONAL PARK	STEHEKIN	RECONSTRUCT STEHEKIN VALLEY ROAD	536
257.0	GOLDEN GATE NAT RECREATION AREA	CLIFF HOUSE	CONSTRUCT PUBLIC REST ROOMS	317

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CONSTRUCTION PRIORITIES LIST
(BY SERVICEWIDE PRIORITY)

SERVICEWIDE PRIORITY	NAME OF PARK	DEVELOPED AREA	CONSTRUCTION PACKAGE TITLE	ESTIMATED COST
258.0	BUFFALO NATIONAL RIVER	TYLER BEND	DEVELOP PUBLIC USE AND OPERATIONS FACILITIES	6865
259.0	ASSATEAGUE ISLAND NAT SEASHORE	PARK GENERAL	RECONSTRUCT 4.3 MILES, NORTH BEACH ROAD	3370
260.0	HARRY S. TRUMAN NAT HIST SITE	TRUMAN HOUSE	STABILIZE/RESTORE HIST. CARRIAGE HOUSE(HST-C103)	135
261.0	LAKE MEREDITH RECREATION AREA	PARK GENERAL	RECONSTRUCT ACCESS ROADS AND PARKING AREAS	5133
262.0	AGATE FOSSIL BEDS NAT MONUMENT	HEADQUARTERS	CONSTRUCT VISITOR CENTER/ADMINISTRATION BLDG	2985
263.0	GEORGE WASHINGTON MEM PARKWAY	PARK GENERAL	REPAIR WASHINGTON BOULEVARD BRIDGE	1200
264.0	EVERGLADES NATIONAL PARK	FLAMINGO	REPLACE FLAMINGO SEASONAL HOUSING	418
265.0	YELLOWSTONE NATIONAL PARK	PARK GENERAL	GRANT VILL. HOUSING & REPLACE TEMPORARY HOUSING	4265
266.0	GETTYSBURG NAT MILITARY PARK	PARK GENERAL	REHABILITATION OF PARK ROADS (20 MILES)	7317
267.0	GRAND TETON NATIONAL PARK	PARK GENERAL	REHAB CABINS, DORMS, CORRALS, & JENNY LAKE STORE	600
268.0	PICTURED ROCKS NAT LAKESHORE	AU SABLE POINT	RESTORE CRUMBLED/BREACHED SEAWALL (HIST. LT. HSE	936
269.0	LASSEN VOLCANIC NATIONAL PARK	PARK GENERAL	RELOCATE & CONST NPS VIS FACIL, MANZANITA LAKE	11991
270.0	LOWELL HISTORIC PRESER. COMM.	PARK GENERAL	CONTINUE REHABILITATION OF HISTORIC STRUCTURES	0
271.0	KLONDIKE GOLD RUSH NHP	CHILKOOT TRAIL	DEVELOP CHILKOOT TRAIL UNIT	100
272.0	SHENANDOAH NATIONAL PARK	HEADQUARTERS	CONSTRUCT FIRE ALARM SYSTEM, HEADQUARTERS	100
273.0	VIRGIN ISLANDS NATIONAL PARK	PARK GENERAL	RECONSTRUCT NORTH SHORE AND LAMESHUR ROADS	3412
274.0	OLYMPIC NATIONAL PARK	QUINAULT	REPAIR BRIDGE AT LAKE QUINAULT, KESLER & CANOE	268
275.0	HOT SPRINGS NATIONAL PARK	PARK GENERAL	REHABILITATE PARK ROADS	1113
276.0	MOUNT RAINIER NATIONAL PARK	PARADISE	REHABILITATE SKI DORM—PARADISE	1152
277.0	BLACK CANYON OF THE GUNNISON	SOUTH RIM	REPLACE TEMP.VIS.CTR., ADD CONCESSION, ADM SPACE	5131
278.0	DENALI NATIONAL PARK & PRESERVE	PARK GENERAL	CONSTRUCT POLYCHROME PASS COMFORT STATION	234
279.0	MOUND CITY GROUP NAT MONUMENT	PARK GENERAL	CONST. CURATORIAL FACILITY-PREVENT RES. DETERIOR	822
280.0	CANYON DE CHELLY NM	HEADQUARTERS	CONSTRUCT COMFORT STATION IN CAMPGROUND	199
281.0	NATIONAL CAPITOL PARKS-CENTRAL	WASH MONUMENT	UPGRADE VISUAL QUALITY/SAFETY ON 15TH STREET	2500
282.0	DELAWARE WATER GAP NRA	PARK GENERAL	COM STA.,UTIL.SYSTEM,PICNIC & TRAIL IMPROVEMENTS	830
283.0	PU'UHONUA O HONAUNAU NHP	PARK GENERAL	CONSTRUCT ADMINISTRATION BUILDING	83
284.0	GULF ISLANDS NAT SEASHORE	FORT PICKENS	REPAIR FORT PICKENS,BAT.PENSACOLA,LANGDON,WORTH	1703
285.0	NATCHEZ TRACE PARKWAY	PARK GENERAL	CONSTRUCT PARKWAY & RELATED FACILITIES	101283
286.0	FOOTHILLS PARKWAY, G.S.M.N.P.	PARK GENERAL	CONST FOOTHILLS PARKWAY AND RELATED FACILITIES	50974
287.0	FIRE ISLAND NATIONAL SEASHORE	WILLIAM FLOYD	REHAB WILLIAM FLOYD ESTATE, ROADS & PARKWAY	1103
288.0	GRAND PORTAGE NATIONAL MONUMENT	PARK GENERAL	REPL INADEQUATE MAINT FAC & CONST VIS CONTACT ST	3456
289.0	PEA RIDGE NAT'L MILITARY PARK	PARK GENERAL	CONSTRUCT MAINTENANCE STORAGE BLDG. WITH HOIST	170
290.0	SARATOGA NATIONAL HISTORICAL PK	PARK GENERAL	REHAB ENTRANCE ROAD AND FOUR BRIDGES	45
291.0	GOLDEN GATE NATIONAL PARK	PARK GENERAL	INSTALL CONZELMAN ROAD GUARD RAILS	150
292.0	YUKON-CHARLEY RIVER NAT PRES	EAGLE	CONSTRUCT BOAT DOCK & STORAGE FACILITY, EAGLE	170
293.0	GEORGE WASHINGTON MEM PARKWAY	PARK GENERAL	REPLACE CONDEMNED PARKWAY & MAINTENANCE FACILITY	2400
294.0	LAKE MEREDITH RECREATION AREA	PARK GENERAL	REPLACE SUBSTANDARD COMFORT STATIONS	1249
295.0	OLYMPIC NATIONAL PARK	BARNES POINT	EXTEND WATER AND SEWER SYSTEMS	790
296.0	BANDELIER NATIONAL MONUMENT	UPPER FRIJOLES	CONSTRUCT FENCE ON NEWLY ACQUIRED LANDS	329
297.0	SCOTTS BLUFF NATIONAL MONUMENT	PARK GENERAL	ABATE ROCKSLIDE HAZARD-REPAIR SURFACE, SUMMIT RD	3000
298.0	NCP CENTRAL	PARK GENERAL	RESTORE VIS. & STRUCTURAL QUAL. MON. CORE. BLVDS	7241
299.0	PUUKOHOLA HEIAU NAT HIST SITE	PARK GENERAL	RELOCATE ROAD TO PROTECT HISTORIC STRUCTURES	605
300.0	LAKE MEAD NAT RECREATION AREA	PARK GENERAL	STABALIZE SHOULDERS OF NORTH SHORE ROAD	2430
301.0	WRANGELL-ST.ELIAS NP/P	PARK GENERAL	CONSTRUCT VIS CTR AND HEADQUARTERS COMPLEX	759
302.0	EVERGLADES NATIONAL PARK	PARK GENERAL	RESURFACE MAIN PARK ROAD, 45 MILES	3950
303.0	FRED-SPOT NAT MILITARY PARK	FREDERICKSBURG	NATIONAL CEMETERY REHAB WALLS,WALKS,DRIVES,GRDS	409
304.0	GATEWAY NATIONAL RECREATION AREA	SANDY HOOK	CONSTRUCT FORT HANCOCK, GATEWAY VILLAGE	9149
305.0	YELLOWSTONE NATIONAL PARK	PARK GENERAL	REHABILITATE CONCESSION SITE ROADS & PARKING	967
306.0	BUFFALO NATIONAL RIVER	PRUITT	DEVELOP PUBLIC USE AND OPERATIONS FACILITIES	1009
307.0	CAPE HATTERAS NAT SEASHORE	OCRACOKE CENTRA	CONST OCRACOKE VISITOR CENTER & SUPPORT FAC.	987

CONSTRUCTION PRIORITIES LIST
(BY SERVICEWIDE PRIORITY)

SERVICEWIDE PRIORITY	NAME OF PARK	DEVELOPED AREA	CONSTRUCTION PACKAGE TITLE	ESTIMATED COST
308.0	GREAT SMOKY MOUNTAINS NAT PARK	DEEP CREEK	CONST INTERP CENTER, PICNIC AREA, ROADS & UTILS	3576
309.0	HERBERT HOOVER NAT HIST SITE	HOOVER HOUSE	REVAMP INADEQUATE PROTECTIVE SYSTEMS IN HIST.BLD	223
310.0	GRAND PORTAGE NAT MONUMENT	PARK GENERAL	STABILIZE ERODING SHORELINE TO PRESERVE MONUMENT	109
311.0	FRED SPOT NAT MILITARY PARK	PARK GENERAL	BOUNDARY MANAGEMENT, CONTROL SYSTEM 20 MILES	442
312.0	JOHN MUIR NAT HISTORIC SITE	PARK GENERAL	REMODEL/ENLARGE VC/ADMINISTRATION BUILDING	641
313.0	WHITE SANDS NATIONAL MONUMENT	PARK GENERAL	CONSTRUCT NEW MAINTENANCE/STORAGE BUILDING	1041
315.0	LASSEN VOLCANIC	SOUTHWEST DEV.	REHABILITATE SULPHUR WORK WATER SYSTEM	126
316.0	COULEE DAM NAT RECREATION AREA	KELLER	REHAB VISITOR FACILITIES KELLER FRY/PORC BAY CG	2730
317.0	CAPE LOOKOUT NATIONAL SEASHORE	HARKERS ISLAND	REPLACE TEMP.VIS CONT/ADMIN, MAINT REHAB MARINA	5393
318.0	MT. RAINIER NATIONAL PARK	LONGMIRE	REHAB LONGMIRE HOTEL ROOMING FACILITY	500
319.0	JAMES GARFIELD NAT HIST SITE	GARFIELD HOUSE	RESTORE EXTERIOR & PROVIDE PROTECTIVE SYSTEMS	1260
320.0	ZION NATIONAL PARK	SOUTH ENTRANCE	RECONST. ROADWAY/PARKING AREA & INSTALL KIOSK	1304
321.0	NEW RIVER GORGE NATIONAL RIVER	PARK GENERAL	HEADQUARTERS DEVEL—RDS,PKING,UTILS,BLDG	2760
322.0	LAKE CLARK NATIONAL PARK/PRES.	PARK GENERAL	CONSTRUCT OUTPOST RANGER STATION-STONY RIVER	154
323.0	YELLOWSTONE NATIONAL PARK	PARK GENERAL	FINAL SURF. OLD FAITHFUL, LAKE, W. THUMB BYPASS	536
324.0	EFFIGY MOUNDS	PARK GENERAL	PREVENT EROSION OF ARCHEO. RESOURCE - SNY MAGILL	223
325.0	LAKE MEAD NAT RECREATION AREA	CALLVILLE BAY	ENLARGE SEWER LAGOON AT CALLVILLE BAY	423
326.0	CEDAR BREAKS NATIONAL PARK	PARK GENERAL	REHAB VISITOR CENTER, CAMPGROUND & HIST. BLDGS.	2425
327.0	BLUE RIDGE PARKWAY	LINVILL FALLS	REPAVING & REPAIR 2 BRIDGES LINVILLE FALLS SPUR	614
328.0	GATEWAY NAT. RECREATION AREA	JAMICA BAY	REHAB FLOYD BENNETT FIELD (GATEWAY VILLAGE)	22734
329.0	CATOCTIN MOUNTAIN PARK	PARK GENERAL	REHABILITATE CATOCTIN PARK ROAD SYSTEM	2400
330.0	AMISTAD RECREATION AREA	PARK GENERAL	RECONSTRUCT ROADS	872
331.0	SHENANDOAH NATIONAL PARK	SKYLAND	REHAB INFRASTRUCT FOR CONCESS EXP & RELATED FAC	1637
332.0	ROCK CREEK PARK	ROCK CREEK PWY.	UPGRADE VISUAL QUALITY SAFETY ROCK CREEK PWY.	3530
333.0	WRIGHT BROTHERS NAT MONUMENT	PARK GENERAL	CONST AUDITORIUM ADDITION TO VISITOR CENTER	1285
334.0	MOUNT RAINIER NATIONAL PARK	PARK GENERAL	REHAB HIGHWAYS 123 AND 410	4640
335.0	CUYAHOGA VALLEY NAT REC AREA	OAK HILL	COMPLETE CONSTRUCTION ON OAK HILL DAY-USE AREA	576
336.0	GLACIER BAY NATIONAL PARK	PARK GENERAL	REPAIR AND SURFACE MAIN ROAD	4204
337.0	NCP CENTRAL	PARK GENERAL	ENHANCE MON. QUALITY/INTEGRITY LINCOLN MEM.	3500
338.0	BOSTON NAT HISTORICAL PARK	NAVY YARD	REHAB ROPE WALK BLDG 05 TAR HOUSE BLDG 060	2444
339.0	GREAT SMOKY MOUNTAINS NAT PARK	OCONALUFTEE	CONSTRUCT VISITOR CENTER AND APPURTENANCES	3283
340.0	LAKE MEAD NATIONAL REC AREA	PARK GENERAL	CONSTRUCT COMFORT STATIONS, VARIOUS LOCATIONS	340
341.0	MT. RAINIER NATIONAL PARK	CARBON RIVER	IMPROVE UTILITY SYSTEMS AND FACILITIES	1062
342.0	HAWAII VOLCANOES NATIONAL PARK	PARK GENERAL	CONST 1,250,000-GAL WATER STORAGE TANK, KILUAEA	122
343.0	LINCOLN HOME NAT HIST SITE	PARK GENERAL	STABILIZE/RESTORE COOK & DEAN HIST. HOUSES	335
344.0	FORT JEFFERSON NAT MONUMENT	PARK GENERAL	PARTIAL FORT REHABILITATION	4095
345.0	DINOSAUR NATIONAL MONUMENT	PARK GENERAL	REHABILITATE HARPERS CORNER AND QUARRY ROADS	2263
346.0	C&O CANAL NAT HISTORICAL PARK	CULVERTS-PK GEN	UPGRADE HIST. INTEGRITY/REST.CULVERTS-C&O CANAL	1441
347.0	APOSTLE ISLANDS NAT LAKESHORE	PARK GENERAL	CONST. PUBLIC USE DOCKS, TRAILS, CAMPSITES,	719
348.0	SPRINGFIELD ARMORY NAT HIST SITE	PARK GENERAL	RESTORE HIST GROUNDS/ARSENAL & COMMANDANT'S HSE	673
349.0	CAPE LOOKOUT NATIONAL SEASHORE	CAPE LOOKOUT	REHAB VIS CONTACT/RANGER/MAINT BLDG CONST DOCKS	1313
350.0	PETRIFIED FOREST NATIONAL PARK	PARK GENERAL	PRODUCE NEW EXHIBITS & WAYSIDES FOR PARK	895
351.0	COLONIAL NAT HISTORICAL PARK	JAMESTOWN ISLAN	REPAIR JAMESTOWN ISLAND BRIDGES	230
352.0	LYNDON B. JOHNSON NAT HIST PARK	LBJ RANCH AREA	REHABILITATE PARK ROADS	983
353.0	CAPE HATTERAS NATIONAL SEASHORE	WHALEBONE JUNCT	ADAPT USCG STATION AS WHALEBONE CONTACT STATION	865
354.0	SAINT-GAUDENS NAT HIST SITE	PARK GENERAL	REHABILITATE, ENLARGE EXISTING GALLERY SHED	2489
355.0	KATMAI NATIONAL PARK & PRESERVE	BROOKS CAMP	CONSTRUCT ELEVATED BOARD WALK	144
356.0	FORT UNION TRADING POST NHS	PARK GENERAL	RECONSTRUCT FORT & ADD ADMINISTRATIVE FACILITIES	3000

CONSTRUCTION PRIORITIES LIST
(BY SERVICEWIDE PRIORITY)

SERVICEWIDE PRIORITY	NAME OF PARK	DEVELOPED AREA	CONSTRUCTION PACKAGE TITLE	ESTIMATED COST
357.0	GEORGE WASHINGTON MEM. PARKWAY	PARK GENERAL	REST. HIST/STRUCT/INTEGRITY-MEM AVE BR/HEMICYCLE	4835
358.0	HUBBELL TRADING POST NHS	PARK GENERAL	REPLACE TEMPORARY HOUSING W/ PERM. QUARTERS	1606
359.0	WUPATKI NATIONAL MONUMENT	WUPATKI-HEISER	CONSTRUCT EMPLOYEE QUARTERS	81
360.0	SAN JUAN ISLAND NHP	PARK GENERAL	PROVIDE INTERPRETIVE FACILITY - AMERICAN CAMP	4549
361.0	MANASSAS NATIONAL BATTLEFIELD	PARK GENERAL	PRESERVE HISTORIC RESOURCES AND VISITOR USE	1900
362.0	INDIANA DUNES NATIONAL LAKESHORE	WEST UNIT	CONSTRUCT ACCESS ROAD TO PARK FACILITIES. 4.2 MI	10292
363.0	DELAWARE WATER GAP NAT REC AREA	PARK GENERAL	REHABILITATE U.S. 209, RIVER RD & OLD MINE ROAD	22810
364.0	KNIFE RIVER INDIAN VILLAGES NHS	PARK GENERAL	REPLACE TEMPORARY VISITOR & MAINTENANCE FACILS.	2595
365.0	ROCK CREEK PARK	PARK GENERAL	REHAB CARTER BARRON AMPHITHEATRE	1245
366.0	VANDERBILT NAT'L HISTORIC SITE	PARK GENERAL	REHABILITATE MAIN ENTRANCE, ROAD & 4 BRIDGES	496
367.0	CANAVERAL NATIONAL SEASHORE	TURTLE MOUND	CONST VIS CONTACT,MAINT FACIL, PARKING & ROADS	2703
368.0	BOSTON NATIONAL HISTORICAL PARK	PARK GENERAL	REHABILITATE MARINE FACILITIES	1274
369.0	ORGAN PIPE CACTUS NAT'L MONUMENT	PARK GENERAL	RECONSTRUCT AJO MOUNTAIN ROAD	151
370.0	VALLEY FORGE NAT HIST PARK	PARK GENERAL	REHAB GULPH RD RANGER STA ENT RD, RIVER DRIVE	850
371.0	PERRY'S VICTORY & IPM	HEADQUARTERS	CONSTRUCT VISITOR & ADMINISTRATION BUILDING	210
372.0	COULEE DAM NAT RECREATION AREA	SPRING CANYON	REPLACE DAY USE BLDGS—SPRING CYN/KETTLE FALLS	1000
373.0	SITKA NATIONAL HISTORICAL PARK	PARK GENERAL	REHABILITATE OLD SCHOOL	592
374.0	BUFFALO NATIONAL RIVER	STEEL CREEK-LOS	REHAB & IMPROVE VISITOR USE & MGMT FACILITIES	3073
375.0	PRINCE WILLIAM FOREST PARK	PARK GENERAL	IMPROVE OPERATIONS/SAFETY MAINTENANCE FACILITY	1069
376.0	YELLOWSTONE NATIONAL PARK	MADISON JUNCTI	UPGRADE WASTEWATER-TREATMENT PLANT	751
377.0	ST CROIX NAT SCENIC RIVERWAY	PARK GENERAL	REHAB RIVER ACCESS/CIRCULATION RDS. & PKING AREA	790
378.0	GULF ISLANDS NATIONAL SEASHORE	FORT PICKENS	CONNECT WATER & SEWER TO MUNICIPAL SYSTEM (FL)	2222
379.0	DELAWARE WATER GAP NAT REC. AREA	PARK GENERAL	PARKING-CHILDS STATE PARK & RAYMONDSKILL FALLS	2090
380.0	FLORISSANT FOSSIL BEDS NAT MON	PARK GENERAL	BUILD VISITOR CENTER AND PARK SUPPORT FACILITIES	4273
381.0	NATIONAL CAPITOL PARKS—EAST	ANACOSTIA PARK	PROVIDE VISITOR COMFORT-HIGH USE RECREATION SITE	1040
382.0	GRAND PORTAGE NATIONAL MONUMENT	PARK GENERAL	RELOCATE ROADS TO ELIM. IMPACTS ON HIST RES.	1215
383.0	RICHMOND NAT BATTLEFIELD PARK	PARK GENERAL	REHABILITATE TOUR ROADS	1150
384.0	FIRE ISLAND NATIONAL SEASHORE	PARK GENERAL	RECONSTRUCT WEST END ROAD/LIGHTHOUSE	456
385.0	OLYMPIC NATIONAL PARK	SOL DUC	DEVELOP DAY USE AREA AND PARKING	790
386.0	BADLANDS NATIONAL PARK	PARK GENERAL	RECONSTRUCT US 16A(29.7 MILES) ENTRANCE ROAD	5775
387.0	NORTHWEST ALASKA AREAS	KOTZEBUE	DEVELOP JOINT ADMIN.PUBLIC USE FAC. (NPS,FWS,BLM)	95
388.0	GREAT SMOKY MOUNTAINS NAT PARK	PARK GENERAL	REPLACE BRIDGES—SMOKEMONT & RAVENFORD	937
389.0	THEODORE ROOSEVELT BRTHPLACE NHS	PARK GENERAL	REHABILITATE MUSEUM	287
390.0	AMISTAD RECREATION AREA	PECOS CANYON	CONST RANGER STA/RESIDENCE/MAINT FAC/PICNIC AREA	846
391.0	DENALI NATIONAL PARK/PRESERVE	WONDER LAKE	REHABILITATE WONDER LAKE CAMPGROUND	499
392.0	APOSTLE ISLANDS NAT LAKESHORE	MICHIGAN ISLAND	REHAB HIST MICH. ISLAND LIGHT STATION	329
393.0	GREAT SMOKY MOUNTAINS NAT PARK	GREENBRIER	REHAB ABRAMS, GREENBRIER, BIG CREEK ROADS	804
394.0	ACADIA NATIONAL PARK	PARK GENERAL	CONST RANGER STATION/QUARTERS, ISLE AU HAUT	63
395.0	CRATER LAKE NATIONAL PARK	MUNSON VALLEY	CONSTRUCT FOUR PLEX SEASONAL HOUSING-PCH. I	3010
396.0	LAKE MEAD NATIONAL PARK	PARK GENERAL	RECONSTRUCT PARK ROADS	5470
397.0	PICTURED ROCKS NAT LAKESHORE	AUSABLE POINT	REHAB CG--UPGRADE SANI-FACIL & REDUCE RES. DAMAGE	365
398.0	AMERICAN MEMORIAL PARK	PARK GENERAL	RECONSTRUCT DETERIORATED MICRO BEACH FACILITIES	942
399.0	CRATER LAKE NATIONAL PARK	RIM AREA	CONSTRUCT ROAD & PARKING AREAS-RIM VILLAGE	768
400.0	APPOMATTOX COURTHOUSE NHS	PARK GENERAL	RESTORE HISTORIC ROADS IN PARK (3 MILES)	575
401.0	BLUE RIDGE PARKWAY	SECTION 1-CD	CONSTRUCT GRADE SEPARATION STRUCTURES	575
402.0	YELLOWSTONE NATIONAL PARK	PARK GENERAL	REHAB N.ENTRANCE ROAD, MAMMOTH-GARDINER 5.7 MI.	3556
403.0	ROCK CREEK PARK	PIERCE MILL	RESTORE HISTORIC PIERCE MILL	1179
404.0	EDISON NATIONAL HISTORIC SITE	PARK GENERAL	ENLARGE/RELOCATE VISITOR USE/MANAGEMENT SPACE	3000
405.0	HOPEWELL FURNACE NHS	PARK GENERAL	ACCESS ROAD PARKING AND GROUNDS	500
406.0	MANASSAS NAT BATTLEFIELD PARK	PARK GENERAL	CORRECT UNSAFE VISITOR ACCESS-ENHANCE EXPERIENCE	2990

CONSTRUCTION PRIORITIES LIST
(BY SERVICEWIDE PRIORITY)

SERVICEWIDE PRIORITY	NAME OF PARK	DEVELOPED AREA	CONSTRUCTION PACKAGE TITLE	ESTIMATED COST
407.0	GREAT SMOKY MOUNTAINS NAT PARK	SUGARLANDS	CONSTRUCT RESOURCE CENTER	3230
408.0	FORT LARNED NAT HISTORIC SITE	PARK GENERAL	REST HIST OFFICER QRTS FOR VIS USE & SUPPORT	51
409.0	DENALI NATIONAL PARK/PRESERVES	HEADQUARTERS	CONSTRUCT MAINTENANCE/STORAGE BLDG.	145
410.0	NORTH CASCADES NP COMPLEX	SKAGIT	REPAIR SKAGIT AREA ROADS	165
411.0	GOLDEN GATE NAT RECREATION AREA	PARK GENERAL	REPAIR PARKING LOT, FORT MASON	1173
412.0	BIG THICKET NAT PRESERVE	PARK GENERAL	STABILIZE ROADS	1441
413.0	ROCKY MOUNTAIN NATIONAL PARK	PARK GENERAL	DEVELOP BEAR LAKE SHUTTLE SYSTEM	5151
414.0	MINUTE MAN NAT HISTORICAL PARK	PARK GENERAL	REHABILITATE WHITTEMORE HOUSE	116
415.0	ASSATEAGUE ISLAND NAT SEASHORE	PARK GENERAL	RECONSTRUCT 2.5 MILES, TOM COVE ROAD	575
416.0	ASSATEAGUE ISLAND NAT SEASHORE	PARK GENERAL	RESURFACE PARKING AREAS—CHINCOTEAGUE	235
417.0	CHESAPEAKE & OHIO CANAL NHP	PIEDMONT DISTR	REPAIR DANGEROUS BIG BLACKWATER WALL	2358
418.0	CHICKAMAUGA-CHATTANOOGA NMP	SHERMAN RESERV	REHABILITATE SHERMAN RESERVATION SLIDE	983
419.0	ISLE ROYALE NATIONAL PARK	ROCK HARBOR	REPL. GUEST HOUSE, CONC. HOUSING, ROCK HARBOR	892
421.0	JOHN DAY FOSSIL BEDS NM	SHEEP ROCK UNIT	RECONSTRUCT ROADS AND PARKING AREAS	222
422.0	LASSEN VOLCANIC NATIONAL PARK	MANZANITA LAKE	CONST NPS HOUSING AND MAINTENANCE BUILDING	4060
423.0	WUPATKI-HEISER NATIONAL MONUMENT	WUPATKI-HEISER	CONSTRUCT MAINTENANCE SHOP/STORAGE BUILDING	603
424.0	BRYCE CANYON NATIONAL PARK	PARK GENERAL	RECONSTRUCT 16-MILE RIM DRIVE, ROUTE 1	4054
425.0	MORRISTOWN NAT HISTORICAL PARK	PARK GENERAL	RECONSTRUCT JOCKEY HOLLOW TOUR ROAD	527
426.0	PETERSBURG NATIONAL BATTLEFIELD	PARK GENERAL	REHABILITATE VISITOR CENTER PARKING	968
427.0	NATIONAL CAPITOL PARKS—CENTRAL	PARK GENERAL	REHAB MAINE AVENUE PEDESTRIAN WALKWAYS	1210
428.0	OBED WILD & SCENIC RIVER	PARK GENERAL	CONSTRUCT OVERLOOK AND RIVER ACCESS FACILITIES	1490
429.0	GEORGE ROGERS CLARK NHP	PARK GENERAL	REPAIR DETERIORATED AND ERODED FLOODWALL	200
430.0	KENAI FJORDS NATIONAL PARK	PARK GENERAL	REHABILITATE AND UPGRADE HARDING ICEFIELD TRAIL	74
431.0	COULEE DAM NAT. RECREATION AREA	PORCUPINE BAY	REHAB CAMPGROUND ROAD AND PARKING	107
432.0	REDWOOD NATIONAL PARK	PARK GENERAL	RECONSTUCT ACCESS RD.—ANTONIOLI'S AREA	317
433.0	BIG BEND NATIONAL PARK	RIO GRANDE VILL	EXPAND CAMPGROUND,CONSTRUCT MAINT FACS & HOUSING	1000
434.0	MOUNT RUSHMORE NAT MEMORIAL	HEADQUARTERS	RENOVATE OLD STUDIO AND INSTALL EXHIBITS	821
435.0	SALEM MARITIME NAT HISTORIC SITE	PARK GENERAL	RESTORE/DREDGE DERBY WHARF WATERFRONT	150
437.0	ROCK CREEK PARK	PARK GENERAL	REHAB. ROCK CREEK PARKWAY ROAD SYSTEM	3364
438.0	CHATTAHOOCHEE RIVER NRA	PARK GENERAL	CONSTRUCT INITIAL VISITOR FACILITIES	2059
439.0	LINCOLN BOYHOOD NMB	PARK GENERAL	RELOCATE COUNTY ROADS B AND A	100
440.0	KLONDIKE GOLD RUSH NHP	SKAGWAY	CONSTRUCT MAINTENANCE FACILITIES	15
441.0	WHITMAN MISSION NAT HIST SITE	PARK GENERAL	CORRECT DESIGN DEFICIENCIES IN PARK ENTRANCE RD	1691
442.0	GOLDEN GATE NAT RECREATION AREA	CLIFF HOUSE	RECONSTRUCT MERRIE WAY PARKING LOT	440
443.0	SAN ANTONIO MISSIONS NHP	PARK GENERAL	UPGRADE-REMOVE UTILITIES—REHAB STRUCTURES	1076
444.0	GLACIER NATIONAL PARK	PARK GENERAL	REHAB INTERIOR ROADS & PARKING	500
445.0	FIRE ISLAND NATIONAL SEASHORE	PARK GENERAL	REHAB PARKING FACILITIES/FERRY TERMINAL	533
446.0	FREDRICKSBURG-SPOTSYLVANIA NMP	WILDERNESS BATT	RD REHAB-GORDON, GRANT, HILL, SICKLE, & CHATHAM	5550
447.0	BALTIMORE-WASHINGTON PARKWAY	PARK GENERAL	UPGRADE VISUAL QUALITY AND SAFETY-BW PARKWAY	56000
448.0	GREAT SMOKY MOUNTAINS NAT PARK	CABLE MILL	RECONSTRUCT & ENLARGE PARKING AREA	440
449.0	HERBERT HOOVER NAT HISTORIC SITE	PARK GENERAL	STAB/RESTORE 8 HIST HOUSES, INCLUDING INTERIORS	514
450.0	KLONDIKE GOLD RUSH NHP	WHITE PASS UNIT	DEVELOP WHITE PASS UNIT	5000
451.0	COLONIAL NAT HISTORICAL PARK	PARK GENERAL	PAVEMENT REPAIR, COLONIAL PARKWAY	1000
452.0	LAVA BEDS NATIONAL MONUMENT	INDIAN WELL	CONSTRUCT FIRE CREW APARTMENT	600
453.0	BIG BEND NATIONAL PARK	CASTOLON	IMPROVE ROADS AT HOUSING AND MAINTENANCE AREA.	430
454.0	YELLOWSTONE NATIONAL PARK	MAMMOTH (WYO)	PRESERVE 30 HIST STRUCTURES AT FORT YELLOWSTONE	10635
455.0	CAPE COD NATIONAL SEASHORE	PROVINCETOWN	RECONST RACE POINT AND HIGH HEAD ROADS	102
456.0	DELAWARE WATER GAP NAT REC AREA	PARK GENERAL	PETERS VALLEY - DINGMAN'S ROAD	1170
457.0	NATIONAL CAPITOL PARKS—EAST	PISCATAWAY PARK	INITIATE VISITOR USE DEVELOPMENT-PISCATAWAY	2096
458.0	CUMBERLAND GAP NAT HIST PARK	PARK GENERAL	RELOCATE US 25E UPDATE—CONSTRUCT TUNNEL	109900

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CONSTRUCTION PRIORITIES LIST
(BY SERVICEWIDE PRIORITY)

SERVICEWIDE PRIORITY	NAME OF PARK	DEVELOPED AREA	CONSTRUCTION PACKAGE TITLE	ESTIMATED COST
459.0	INDIANA DUNES NAT LAKESHORE	WEST UNIT	CONSTRUCT WEST UNIT TRANSIT CENTER	207
460.0	NORTHWEST ALASKA AREAS	KOTZEBUE	PROVIDE MAINTENANCE STORAGE FACILITIES	1400
461.0	CRATERS OF THE MOON NM	PARK GENERAL	RECONSTRUCT INTERIOR ROAD SYSTEM	870
462.0	GRAND CANYON NATIONAL PARK	PARK GENERAL	RECONSTRUCTION POINT SUBLIME ROAD	1730
463.0	SUNSET CRATER NAT MONUMENT	PARK GENERAL	CONSTRUCT VISITOR CONTACT STATION	242
464.0	DEVILS TOWER NATIONAL MONUMENT	PARK GENERAL	RECONSTRUCTION PRIMARY ROAD (COMPLETION)	1200
465.0	CAPE COD NATIONAL SEASHORE	PARK GENERAL	REPAVE BICYCLE TRAILS	307
466.0	COLONIAL NATIONAL HIST PARK	YORKTOWN	CONSTRUCT INTERP FACILITY—POOR POTTERS POTTERY	1704
467.0	ROCK CREEK PARK	PARK GENERAL	COMPLETE SAFETY REPAIRS TO MAINTENANCE AREA	1039
468.0	CONGAREE SWAMP NATIONAL MONUMENT	PARK GENERAL	CONST INITIAL VIS FACIL FOR NEWLY AUTH AREA	1340
469.0	PICTURED ROCKS NAT LAKESHORE	GRAND SABLE LAK	RECONS. TRAIL CONST COMF. STA REHAB PICNIC SITE	220
470.0	KENAI FJORDS NATIONAL PARK	PARK GENERAL	CONST. NUKA RANGER STAT. & 3 PUBLIC USE CABINS	13
471.0	FORT CLAPSOP NM	PARK GENERAL	EXPAND VISITOR CENTER	439
472.0	CHIRICAHUA NATIONAL MONUMENT	PARK GENERAL	RECONSTRUCT ROUTE 1	1049
473.0	LYNDON B. JOHNSON NHP	LBJ RANCH	EXTEND WATER SYSTEM TO JUNCTION SCHOOL	295
474.0	FORT LARAMIE NAT HISTORIC SITE	PARK GENERAL	CONSTRUCT VISITOR AND PARK SUPPORT FACILITIES	5437
475.0	ACADIA NATIONAL PARK	PARK GENERAL	CONSTRUCT RESTROOMS AND SEWER, WILDWOOD	253
476.0	PRINCE WILLIAM FOREST PARK	PARK GENERAL	REHAB CIVILIAN CONSERVATION CAMP ERA CABIN CAMPS	11560
477.0	VIRGIN ISLANDS NATIONAL PARK	HASSEL ISLAND	REHAB UNSAFE DOCKS & TRAILS PROVIDE TOILETS	1610
478.0	HERBERT HOOVER NAT HISTORIC SITE	PARK GENERAL	REHAB LIB. DR & PRKG AREA TO IMPROVE VIS ACCESS	17
479.0	DENALI NATIONAL PARK/PRESERVE	PARK GENERAL	CONSTRUCT NEW HOTEL COMPLEX	15692
480.0	OLYMPIC NATIONAL PARK	PARK GENERAL	REPLACE LOG CABIN/RESORT CABINS	30
481.0	GOLDEN GATE NATIONAL REC. AREA	OCEAN BECH	PAVE OCEAN BEACH PARKING AND ESPLANADE	650
482.0	BIG THICKET NATIONAL PRESERVE	TURKEY CREEK	CONSTRUCT VISITOR FACILITY & HOSTS.COMPLEX.	4352
483.0	GLACIER NATIONAL PARK	APGAR	CONSTRUCT VISITOR CENTER FOR WEST SIDE OF PARK	3850
484.0	SAUGUS IRON WORKS NHS	PARK GENERAL	DISMANTLE AND REBUILD BLAST FURNACE	624
485.0	PRESIDENT'S PARK	PARK GENERAL	IMPROVE VISITOR ACCESS TO WHITE HOUSE	4500
486.0	CHICKAMAUGA-CHATTANOOGA NMP	CHICKAMAUGA	RELOCATE U.S. HIGHWAY 27	30000
487.0	ST. CROIX NATL SCENIC RIVER	OLD NEVERS DAM	CONST PICNIC SITES, CANOE LANDING, & PARKING	122
488.0	KATMAI NATIONAL PARK/PRESERVE	BROOKS CAMP	RELOCATE BROOKS CAMP FACILITIES	90
489.0	MOUNT RAINIER NATIONAL PARK	PARADISE	REHABILITATE PARADISE INN ANNEX	2500
490.0	POINT REYES NATIONAL SEASHORE	PARK GENERAL	RESURFACE LIGHTHOUSE ROAD & PARKING	300
491.0	SALINAS NATIONAL MONUMENT	GRAN QUIVIRA UT	REHABILITATE ACCESS ROAD AND PICNIC AREA ROAD	105
492.0	JOHN D. ROCKEFELLER, JR., PKWY	PARK GENERAL	CONSTRUCT INFO/ADMIN/MAINT RESIDENCE COMPLEX	4333
493.0	BOSTON NATIONAL HISTORICAL PARK	PARK GENERAL	RECONST VARIOUS ROADS & PARKING, CHARLESTOWN NY	500
494.0	C & O CANAL NAT HISTORICAL PARK	PIEDMONT DIST	RESTORE WILLIAMSPORT HISTORIC AREA	2654
495.0	VOYAGEURS NATIONAL PARK	KABETOGAMA NAR	REBUILD 4 MI NAR NARROWS RD—IMPROVE VIS. ACCESS	2687
496.0	DENALI NATIONAL PARK	TEKLANIKA	REPLACE PIT TOILETS IN CAMPGROUND AND BUS AREA	1005
497.0	CRATER LAKE NATIONAL PARK	PARK GENERAL	REHAB WEST & SOUTH ENTRANCE & ONE-WAY ROADS	1037
498.0	LAVA BEDS NATIONAL MONUMENT	PARK GENERAL	OVERLAY MAIN PARK ROAD	1050
499.0	PEA RIDGE NAT'L MILITARY PARK	PARK GENERAL	STABILIZE PORTION OF TOUR ROAD	292
500.0	GRANT-KOHRS RANCH NHS	PARK GENERAL	CONSTRUCT VISITOR CENTER FACILITY	2524
501.0	SALEM MARITIME NHS	PARK GENERAL	REHABILITATE NARBONNE HOUSE INTERIOR	100
502.0	ROCK CREEK PARK	PARK GENERAL	ELIMINATE RESOURCE DEGRADATION AND EROSION	1900
503.0	HOMESTEAD NATIONAL MONUMENT	PARK GENERAL	EXPAND VC, PROVIDE PERM ARTIFACT COLLECT FAC.	133
504.0	KATMAI NATIONAL PARK & PRESERVE	PARK GENERAL	CONSTRUCT THREE BRIDGES & REHAB ROAD	2500
505.0	OLYMPIC NATIONAL PARK	LAKE CRESCENT	REHABILITATE EAST BEACH ROAD AND PICNIC AREA	4762

CONSTRUCTION PRIORITIES LIST
(BY SERVICEWIDE PRIORITY)

SERVICEWIDE PRIORITY	NAME OF PARK	DEVELOPED AREA	CONSTRUCTION PACKAGE TITLE	ESTIMATED COST
506.0	LASSEN VOLCANIC NATIONAL PARK	MANZANITA	REPAVE MANZANITA LAKE CAMPGROUND ROADS	457
507.0	PEA RIDGE NAT MILITARY PARK	ELKHORN TAVERN	CONST COMFORT STATION & PARKING, ELKHORN TAVERN	592
508.0	CAPITOL REEF NATIONAL PARK	PARK GENERAL	RECONSTRUCT GOOSENECK OVERLOOK ROAD, 1.2 MILES	79
510.0	NATIONAL CAPITOL PARKS—CENTRAL	E & W POTOMAC	REHABILITATE SEAWALL, EAST & WEST POTOMAC PARK	29512
511.0	OZARK NAT SCENIC RIVERWAYS	DEVILS WELL	REHAB ROAD TO PROVIDE IMPROVED VISITOR ACCESS	214
512.0	WRANGELL-ST. ELIAS NP/P	GLENNALLEN	CONSTRUCT EMPLOYEE HOUSING-GLENNALLEN AREA	15
514.0	ORGAN PIPE CACTUS NATIONAL MON.	HEADQUARTERS	RESURFACE 7.1 MILES RDS. AND PARKING	600
515.0	SAN ANTONIO MISSIONS NHP	PARK GENERAL	REMOVE UTILITIES AND REHABILITATE LANDSCAPE	572
516.0	THEODORE ROOSEVELT NATIONAL PARK	NORTH UNIT	CONSTRUCT VISITOR CENTER AND DISTRICT OFFICES	2532
517.0	CAPE COD NATIONAL SEASHORE	PARK GENERAL	CONST INTERP WALKWAY & EXHIBITS, PROVINCETOWN	409
518.0	HARPERS FERRY NAT HIST PARK	PARK GENERAL	COMPLETE HISTORIC RESTORATION - LOWER TOWN	2545
519	ISLE ROYALE NP	MOTT ISLAND	REPLACE SUBSTANDARD HOUSING WITH 2 NEW DUPLEXES	120
520.0	SITKA NATIONAL HISTORIC SITE	PARK GENERAL	CONSTR TOTEM STORAGE & PRESERVATION FACILITY	20
521.0	CRATER LAKE NATIONAL PARK	LOST CREEK CG	RESURFACE PINNACLES ROAD	125
522.0	SALINAS NATIONAL MONUMENT	GRAN QUIVIRA UT	REHABILITATE VISITOR CONTACT STATION	546
523.0	CUSTER BATTLEFIELD NHS	HEADQUARTERS	REPLACE OUTMODED VISITOR CENTER	6060
525.0	C&O CANAL NATIONAL HISTORIC PARK	GREAT FALLS	IMPROVE ENTRANCE ROAD, GREAT FALLS	630
526.0	CUYAHOGA VALLEY NAT REC. AREA	JAITE	RECONSTRUCT HIGHLAND AND VAUGHN ROADS	1160
527.0	DENALI NATIONAL PARK & PRESERVE	TOKLAT C.G.	REPLACE TRAILER QUARTERSAND UTILITIES-TOKLAT RC	966
528.0	FORT VANCOUVER NHS	FORT	RECONSTRUCT FUR STORE PHASE 3B	1053
529.0	FORT DAVIS NAT'L HISTORIC SITE	PARK GENERAL	RELOCATE VISITOR CENTER & ADMINISTRATIVE OFFICES	381
530.0	YELLOWSTONE NATIONAL PARK	PARK GENERAL	RECONSTRUCT WALL OF VIRGINIA CASCADE DRIVE	590
531.0	BOSTON NAT HISTORICAL PARK	NAVY YARD	REHABILITATE MARINE RAILWAY	1044
532.0	C&O CANAL NATIONAL HISTORIC PARK	MONOCACY RIVER	RESTORE MONOCACY RIVER AQUEDUCT	13100
533.0	ISLE ROYALE NATIONAL PARK	PARK GENERAL	PRESERVE/RESTORE HIST.EDISEN FISHERY COMPLEX	1
535.0	COULEE DAM NAT RECREATION AREA	HUNTERS & GIFF	EXPAND CAMPGROUND ROADS AND PARKING	1309
536.0	FT. SMITH NAT'L HISTORIC SITE	PARK GENERAL	PRESERVE AND RESTORE HISTORIC COURTHOUSE/JAIL	2402
537.0	MESA VERDE NATIONAL PARK	CHAPIN MESA	BUILD COMF. STA., ALL UTILITIES, BALCONY HOUSE	250
538.0	MINUTE MAN NAT HISTORIC PARK	PARK GENERAL	REHAB SAMUEL BROOKS HOUSE	130
539.0	NATIONAL CAPITOL PARKS—CENTRAL	WASH MONUMENT	INSTALL NEW ELEVATOR IN WASHINGTON MONUMENT	983
540.0	ICE AGE NAT SCIENTIFIC RESERVE	DEVILS LAKE	CONSTRUCT VISITOR CENTER & EXHIBIT	582
541.0	DENALI NATIONAL PARK & PRESERVE	HEADQUARTERS	CONSTRUCT COMFORT STATION IN KENNEL AREA	79
542.0	EBEY'S LANDING NAT HIST RESERVE	EBEY'S LANDING	CONSTRUCT PULLOFFS AND WAYSIDE EXHIBITS	1000
543.0	BANDELIER NATIONAL MONUMENT	BACK GATE	REHAB GROUP CAMPSITE & PICNIC AREA, PONDEROSA	871
544.0	DEVILS TOWER NATIONAL MONUMENT	PARK GENERAL	REPLACE OUTMODED VISITOR CENTER	4550
545.0	MARTIN VAN BUREN NAT HIST SITE	PARK GENERAL	VISITOR FACILITY—MAINT. STRUCTURE	800
546.0	NATIONAL CAPITOL PARKS—EAST	ANACOSTIA PARK	REHABILITATE SEAWALLS, ANACOSTIA PARK	19650
547.0	LINCOLN HOME NAT HISTORIC SITE	PARK GENERAL	STABILIZE/RESTORE HISTORIC HOUSES.(FOUR)	12
548.0	DENALI NATIONAL PARK & PRESERVE	WONDER LAKE	CONSTRUCT WEST SIDE QTRS-WONDER LAKE/KANTISHNA	354
549.0	NORTH CASCADES NATIONAL PARK	PARK GENERAL	RECONSTRUCT CASCADES PASS ROAD	835
550.0	AMISTAD RECREATION AREA	DIABLO EAST	CONSTRUCT HEADQUARTERS BUILDING	1093
551.0	YELLOWSTONE NATIONAL PARK	PARK GENERAL	REBUILD SYLVAN PASS-E.ENTR.ROAD 8MI (POR)	6625
552.0	CAPE COD NATIONAL SEASHORE	PARK GENERAL	CONSTRUCT 30 MILE BIKE TRAIL	7001
553.0	GEORGE WASHINGTON MEM. PARKWAY	MT. VERNON	RESTORE HISTORIC MOUNT VERNON INN	350
554.0	INDIANA DUNES NATIONAL LAKESHORE	EAST UNIT	CONSTRUCT EAST UNIT TRANSIT CENTER	3937
555.0	DENALI NATIONAL PARK & PRESERVE	PARK GENERAL	CONSTRUCT NEW INTERP TRAILS—HEADQUARTERS AREA	125
556.0	NORTH CASCADES NP COMPLEX	STEHEKIN VALLEY	REHABILITATE UTILITY SYSTEM AT SWISSMONT LODGE	200
557.0	BIG BEND NATIONAL PARK	CASTOLON	CONSTRUCT MAINTENANCE/STORAGE FACILITIES	166
558.0	GLACIER NATIONAL PARK	MANY GLACIER	REHAB 12 MI., MANY GLACIER SLIDE CORR. & PAVE	1000
559.0	GATEWAY NATIONAL RECREATION AREA	JAMAICA BAY	NORTH SHORE DEVELOPMENT	5265

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CONSTRUCTION PRIORITIES LIST
(BY SERVICEWIDE PRIORITY)

SERVICEWIDE PRIORITY	NAME OF PARK	DEVELOPED AREA	CONSTRUCTION PACKAGE TITLE	ESTIMATED COST
560.0	WOLF TRAP FARM PARK	PARK GENERAL	IMPROVE MGMT/OPERATIONS-CONST. CONSOLIDATED FAC.	870
561.0	CUYAHOGA VALLEY NAT REC AREA	PARK GENERAL	RESTORE INT.LOCKTENDERS HSE FOR USE AS MUSEUM/VC	1601
562.0	GLACIER BAY NATIONAL MONUMENT	BARTLETT COVE	WEST ARM PATROL BOAT	0
563.0	FORT VANCOUVER NHS	PARK GENERAL	EXPAND VISITOR CENTER	72
564.0	SAN ANTONIO MISSIONS NHP	PARK GENERAL	REHAB COMPOUND, DELINEATE WALLS, PROVIDE WALKWAY	1316
565.0	HOVENWEEP NATIONAL MONUMENT	PARK GENERAL	BUILD VISITOR-CONTACT STATION	3040
567.0	NATIONAL CAPITAL PARKS—CENTRAL	MALL	REHABILITATE MALL STABLE	1965
568.0	GEORGE WASHINGTON CARVER NM	PARK GENERAL	REHAB VC TO PROVIDE MULTI-USE THEATER/EXHIBITS	160
570.0	OLYMPIC NATIONAL PARK	LAKE CRESCENT	CONSTRUCT VISITOR CENTER AND FACILITIES	607
571.0	NAVAJO NATIONAL MONUMENT	PARK GENERAL	CONSTRUCT PEDESTRIAN TRAIL TUNNEL	700
572.0	YUCCA HOUSE NATIONAL MONUMENT	PARK GENERAL	BUILD VISITOR-CONTACT STATION	322
574.0	GEORGE WASHINGTON MEM. PARKWAY	PARK GENERAL	UPGRADE VISITOR SERVICES AT ACTIVITY SITES	1900
575.0	AGATE FOSSIL BEDS	QUARRY AREA	CONST. VIS./INTERP SHELTERS OVER FOSSIL EXHIBITS	290
576.0	YUKON-CHARLEY RIVERS PRESERVE	PARK GENERAL	PARK HOUSING—CIRCLE ALASKA	353
577.0	MOUNT RAINIER NATIONAL PARK	OHANAPECOSH	CONSTUCT SEASONAL QTRS. AND STORAGE	916
578.0	PADRE ISLANDS NATIONAL SEASHORE	MALAQUITE BEACH	CONVERT VIEW TOWER TO RANGER OFFICE	141
579.0	YELLOWSTONE NATIONAL PARK	PARK GENERAL	RECONSTRUCT GRAND LOOP(NORRIS-MADISON) 14 MI.	4463
581.0	NATIONAL CAPITOL PARKS—CENTRAL	PARK GENERAL	ENLARGE WASHINGTON MONUMENT WINDOWS/ACCESS	551
582.0	PERRY'S VICTORY & IPM	PARK GENERAL	CONST LANDSCAPED VISITOR APPROACH MALL TO MEM	171
583.0	DENALI NATIONAL PARK & PRESERVE	TOKLAT RD. CAMP	CONSTRUCT SHOP & STORAGE BUILDING	74
584.0	NORTH CASCADES NPS COMPLEX	STEHEKIN LAND'G	RECONSTRUCT STEHEKIN DOCKING AND BULKHEAD	399
585.0	FORT SMITH NAT HISTORIC SITE	PARK GENERAL	PRESERVE AND RESTORE HISTORIC ARMY COMMISSARY	386
586.0	ARCHES NATIONAL PARK	PARK GENERAL	RECONSTRUCT 3-MI. RT 8 DELICATE ARCH SPUR ROAD	2370
588.0	NCP EAST	OXON COVE	REHAB OXON HILL CHILDREN FARM	1376
589.0	FORT LARNED NAT HIST SITE	PARK GENERAL	REHAB PCNC/REST AREA/REALIGN RD/RELOCATE PRKG	101
590.0	DENALI NATIONAL PARK & PRESERVE	PARK GENERAL	REPLACE EILSON VISITOR CENTER	6000
591.0	BANDELIER NATIONAL MONUMENT	PARK GENERAL	REHABILIATE TRAILS	2062
592.0	YELLOWSTONE NATIONAL PARK	GRANT VILLAGE	EXPAND UTILITY & ROAD FACILITY FOR CONCESSION	2307
593.0	ADAMS NATIONAL HISTORIC SITE	PARK GENERAL	REHABILITATE BEALE & CARRIAGE HOUSES	177
594.0	PRESIDENT'S PARK	EXEC WAREHOUSE	CONSTRUCT WHITE HOUSE SUPPORT FACILITY	13100
595.0	MOUND CITY GROUP	PARK GENERAL	IMPROVE ROADS, PARKWIDE	123
597.0	AZTEC RUINS NATIONAL MONUMENT	PARK GENERAL	EXPAND VISITOR PARKING AREA	111
598.0	NATURAL BRIDGES NAT MONUMENT	PARK GENERAL	FINISH CONTRACT ENT RD & SCENIC LOOP 8A-10 MI.	1400
599.0	CAPE COD NATIONAL SEASHORE	WELLFLEET	DEVELOPMENT ATWOOD HIGGINS COMPLEX	202
600.0	ISLE ROYALE NATIONAL PARK	HOUGHTON HQ	REHAB HEADQUARTERS & UPGRADE ELECTRIC SYSTEM	320
601.0	KATMAI NATIONAL PARK	PARK GENERAL	CONSTRUCT LAKE CAMP DAY USE FACILITY	2
603.0	ROCKY MOUNTAIN NATIONAL PARK	PARK GENERAL	REHAB 2.9 MI BEAVER MEADOWS-DEER RIDGE RT 20	1390
605.0	OZARK NSR	PARK GENERAL	UPGRADE RD FOR RIVER ACCESS 5-SITES	236
607.0	CHACO CULTURE NAT HIST PARK	PARK GENERAL	RECONSTRUCT ROADS	840
608.0	YELLOWSTONE NATIONAL PARK	PARK GENERAL	REPAIR 30 PARK BRIDGES	635
609.0	MARTIN VAN BUREN NAT HIST SITE	PARK GENERAL	RESTORE GROUNDS	121
610.0	APOSTLE ISLANDS NL	RASPBERRY ISLAND	REST/REFURNISH HISTORIC RASP. ISLAND LIGHT STA.	31
611.0	BERING LAND BRIDGE	PARK GENERAL	CONSTRUCT MULTI-PURPOSE BUILDING	3
612.0	GUADALUPE MOUNTAINS NAT PARK	PARK GENERAL	CONSTRUCT TRAIL SYSTEM, PHASE IV	690
613.0	BOSTON NATIONAL HISTORIC PARK	NAVY YARD	PRESERVE AND MAKE SAFE DRY DOCK #1 & CAISSON	332
614.0	SCOTTS BLUFF NATIONAL MONUMENT	HEADQUARTERS	REHAB VC & EXHIBITS, PROVIDE AUDIOVISUAL ROOM	2
615.0	BADLANDS NATIONAL PARK	SOUTH UNIT	CONSTRUCT 2-MILE ROAD TO STRONGHOLD TABLE	620
616.0	ADAMS NATIONAL HISTORIC SITE	PARK GENERAL	BUILD UNDERGROUND LIBRARY	166
617.0	JEFFERSON EXPANSION MEMORIAL NHS	PARK GENERAL	RESTORE HISTORIC GROUNDS	150
618.0	CANYONLANDS NATIONAL PARK	NEEDLES DIST.	PAVE 7.4 MI-SQUAW FLAT-COLORADO OVERLOOK ROAD	1906

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CONSTRUCTION PRIORITIES LIST
(BY SERVICEWIDE PRIORITY)

SERVICEWIDE PRIORITY	NAME OF PARK	DEVELOPED AREA	CONSTRUCTION PACKAGE TITLE	ESTIMATED COST
620.0	OZARK NATIONAL SCENIC RIVER	PARK GENERAL	REPL CG COMC FAC & CONST UTIL.,SEWER & COM STAT	144
621.0	GREAT SAND DUNES NAT MONUMENT	PARK GENERAL	WIDEN AND REHAB 10.4 MILES OF PAVED ROAD	426
622.0	SARATOGA NAT HISTORIC PARK	PARK GENERAL	WAYSIDE EXHIBIT AT AMERICAN RIVER FORTIFICATION	81
623.0	INIDANA DUNES NL	PARK GENERAL	CONST. SS RR STOPS TO CONNECT E&W TRANSIT CTR.	0
624.0	FORT UNION TRADING POST NHS	PARK GENERAL	PAVE MAINTENANCE/RESIDENTIAL AREA ROAD	130
625.0	GATEWAY NATIONAL RECREATION AREA	STATEN ISLAND	MILLER FIELD DEVELOPMENT	4525
626.0	VOYAGEURS NATIONAL PARK	BLACK BAY	CONST DIST MAINT FAC W/UT &RD TO SERVE VIS FAC	2853
627.0	COLORADO NATIONAL MONUMENT	PARK GENERAL	MAJOR REHAB OF 4.7 MI-OVERLAY/DRAIN/SEAL/STRIPE	1381
629.0	WILLIAM HOWARD TAFT N.H.S.	PARK GENERAL	CONST VIS CONT STA/MAINT BLDG & REHAB GROUNDS	500
630.0	THEODORE ROOSEVELT NMP	PARK GENERAL	RECONSTRUCT AND RESURFACE 19 MILES PARK ROADS	3794
631.0	ACADIA NATIONAL PARK	PARK GENERAL	REHABILITATE GILLEY HOUSE, BAKER ISLAND	167
632.0	JEFFERSON MEM	PARK GENERAL	CONST MAINT BLDG TO REPLACE TEMPORARY FACILITY	135
633.0	ROCKY MOUNTAIN NATIONAL PARK	PARK GENERAL	CONSTRUCT NORTH AND EAST INLET PARKING AREAS	1072
634.0	BOSTON NAT HISTORICAL PARK	NAVY YARD	REHABILITATE CHAIN FORGE (BLDG #105)	1725
635.0	WILSON'S CREEK NB	PARK GENERAL	REHAB WATER SYSTEM	190
636.0	MOUNT RUSHMORE NATION MEMORIAL	PARK GENERAL	RECONSTRUCT MAIN ENTRANCE ROAD AND PARKING	1954
637.0	HERBERT HOOVER NAT HIST SITE	PARK GENERAL	CONST GARAGE &EQUIP STORAGE BLDG. ELIMINATE INTR	400
*** Total ***				[illegible] 1649795

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